Daily Report

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Japan

More Reaction to Beijing Lifting Martial Law

Nakayama Makes Statement

OW1001192590 Tokyo KYODO in English 1546 GMT 10 Jan 90

[Text] Brussels, Jan. 10 (KYODO)—Japanese Foreign Minister Taro Nakayama on Wednesday hailed China's "positive posture" in lifting martial law in Beijing and said the move should facilitate the process of reconciliation with the West. Nakayama made the remarks to reporters accompanying him and Prime Minister Toshiki Kaifu on an eight-nation European tour, just hours after Chinese Premier Li Peng announced the lifting of martial law from the capital beginning Thursday.

Nakayama called the decision "one manifestation of China's efforts to initiate various talks with Western countries and to repair relations." But the foreign minister said the mere lifting of martial law will not result in the immediate implementation of Japan's promised third yen loan to China for 1990-95, which is worth some 810 billion yen. Talks on the loans, which are to implemented in the fiscal year starting in April, have been suspended since the military crackdown on the pro-democracy movement last June.

On the question of new loans to China, a top official in Tokyo earlier Wednesday pointed to the lifting of martial law in Beijing as "a step forward." Japan is also seen to be awaiting the go ahead from the World Bank.

Nakayama said when he meets in Tokyo later this month with State Planning Commission chief Zou Jiahua, he will emphasize the need for reciprocal efforts toward an improvement in bilateral relations before any extension of new funds. Japan contends that the visit of Zou and the dispatch of a high-level Japanese aid official to Beijing around the same time are not incompatible with the ban on high-level contacts with China agreed to at the Paris summit of seven industrialized nations last July.

Nakayama said he will try to impress upon European leaders that it is undesirable to see any further isolation of China from the international community.

Moriyama Views Step

OW1101050190 Tokyo KYODO in English 0427 GMT 11 Jan 90

[Text] Tokyo, Jan. 11 KYODO—China apparently has decided to lift martial law in Beijing based on "domestic and international considerations," Chief Cabinet Secretary Mayumi Moriyama said Thursday. "It appears that the internal situation remains somewhat unstable. I think they feel this cannot be neglected," Chief Moriyama, the government's top spokeswoman, told a news conference.

Chinese Premier Li Peng, in a statement announcing the end of martial law Wednesday, said that social order had been restored, and that the action had been necessary to "quell the counterrevolutionary rebellion." Moriyama said she stood by a statement issued last year condemning China's crackdown on pro-democracy demonstrators.

Japan has welcomed the lifting of martial law as a sign that China is becoming more stable, and said it will be an important consideration in Japan's decision to resume economic assistance to China.

Further on Moriyama Comment

OW1001132690 Tokyo KYODO in English 1257 GMT 10 Jan 90

[Following is a fuller version of an item plublished in the 10 January East Asia DAILY REPORT, page three, columns one and two, headlined "Reaction to PRC Lifting Martial Law 10 Jan" under the subhead: "Government Welcomes Move." Also note a correction to the original item: Delete last paragraph of version appearing in the 10 January edition]

[Text] Tokyo, Jan. 10 KYODO—Japan on Wednesday welcomed China's decision to lift the martial law imposed on Beijing last May as "demonstrative of the move of the situation in China toward one of stability." Chief Cabinet Secretary and acting Foreign Minister Mayumi Moriyama, in a statement issued shortly after China's announcement of the dissolution of martial law in the capital, also said Japan welcomes the move as part of China's efforts at restoring normalcy in its external relations.

"Japan hopes that the Chinese Government, through continued efforts at political and economic reform and an open-door (policy), will create conditions which will facilitate the full-scale reopening of cooperative relations with the international community as soon as possible," Moriyama said.

Premier Li Peng, speaking on state radio Wednesday night, said China will lift martial law in Beijing beginning Thursday. The Chinese decision is expected to remove a major obstacle to Japan's resumption of suspended talks on its promised third yen loan package to China for 1990-1995, worth some 810 billion yen. It also coincides with Japan's decision Wednesday to invite State Planning Commission chief Zou Jiahua to Japan next week and to dispatch a senior Foreign Ministry aid official to Beijing during the same time period. A top Foreign Ministry official, speaking on condition of anonymity earlier Wednesday, said that while the lifting of martial law in Beijing is an important consideration in Japan's decision on new aid to China, it is not in itself decisive.

Foreign Ministry spokesmam Taizo Watanabe told reporters Tuesday it would be erroneous to jump to the conclusion that "if and when martial law is lifted, Japan

is going to resume economic aid." Li contrasted the "chaotic situation" in the capital before the imposition with the current "peace and contentment" and thanked "foreign friends" for their support.

An unknown number of prodemocracy demonstrators died during the Army's predawn advance into the city some 2 weeks after the declaration of martial law. Japan and other Western bloc nations halted high-level political contacts and economic aid to China to protest the incident. In Tokyo earlier the same day, Chief Cabinet Secretary Mayumi Moriyama said the lifting of martial law would be a "step forward" to restoring economic aid to China.

A top government source said Japan may move faster than other countries in improving relations with China, but added that Japan would maintain communication with other Western countries. The official, who asked not to be identified, said the visit to China in November by U.S. National Security Adviser Brent Scowcroft had a major influence on Beijing's decision to lift martial law. Japan's embassy in Beijing informed the government here of the announcement two hours before Premier Li Peng went on air, the source said.

USSR's Yeltsin To Pay 10-Day Visit to Japan

OW1101094290 Tokyo KYODO in English 0911 GMT 11 Jan 90

[Text] Tokyo, Jan. 11 KYODO—Boris Yeltsin, the maverick Soviet politician who has sharply criticized the pace of Soviet leader Mikhail Gorbachev's reforms, will pay a 10-day visit to Japan from Sunday, organizers of his trip said Thursday. Yeltsin, invited by the MAINICHI newspapers, Tokyo Broadcasting System Inc. and the Japan Society for Promotion of Japanese Diplomacy, is scheduled to meet leaders of four non-communist opposition parties and business circles. Talks with Prime Minister Toshiki Kaifu and Foreign Minister Taro Nakayama are also being arranged, the organizers said.

Yeltsin will give lectures on "perestroyka" (restructuring) reforms in his country and Japan-Soviet relations in Sapporo, Osaka and Hiroshima.

Soviet Envoy Pays Courtesy Call on Abe

OW0801143190 Tokyo KYODO in English 1307 GMT 8 Jan 89

[Text] Tokyo, Jan. 8 KYODO—A planned visit by Former Foreign Minister Shintaro Abe to the Soviet Union late this week is expected to bear fruit on important issues, Soviet Ambassador Nikolay Solovyev said Monday. The view was expressed during a 30-minute meeting between Solovyev and Abe ahead of Abe's scheduled trip to the Soviet Union on Saturday, sources close to Abe said.

Abe, who will be leading a delegation of ruling Liberal Democratic Party dietmen, is due to meet with Soviet President Mikhail Gorbachev on January 15. Solovyev told Abe during the courtesy call that Gorbachev regards the meeting as an important opportunity to discuss peace in the Asia-Pacific region, the sources said. They said Abe made it clear to the Soviet ambassador that the Japanese Government fully supports his upcoming visit.

Abe Sees Chance To Resolve Territorial Issue

OW1001061990 Tokyo NHK General Television Network in Japanese 1200 GMT 9 Jan 90

[Interview with former Liberal Democratic Party Secretary General Shintaro Abe on his upcoming visit to Moscow by NHK newscasters Jiro Hirano and Yoshiro Shimizu; from the "NHK News Today" program—live]

[Text] [Hirano] We would like to begin immediately, but before going into the question of the northern territories, I would like to ask you about the basic attitude or stand of the Soviet Union. Lately, there has been much talk about the new thinking diplomacy. Our feeling is that while the new thinking diplomacy is being applied to East Europe, which is in the Western Hemisphere, it is not being applied to Japan, which is in the Eastern Hemisphere. What is your view of this?

[Abe] Well, I had hoped that Asian issues would be dealt with to a considerable degree at the U.S.-Soviet summit in Malta, but to my regret, it was not to be the case. In other words, focus was given to the United States, the Soviet Union, and Europe. Should I say that Asia was left out? I am a bit perturbed that the alleviation of tensions is not making much progress in Asia. I would like to hear General Secretary Gorbachev's thoughts on Asia.

[Shimizu] There were reports last week from the Soviet Union that Mr Gorbachev would not see any foreign officials this month. How do you view his agreement to meet with you?

[Abe] Until very recently, I also thought the meeting in January would canceled, since there were so many reports that diplomatic contacts in January would be difficult for the Soviet Union. However, there was a turnaround, and all of a sudden the schedule was set. I am also surprised, but after all, when I met with Mr Yakovlev during his visit to Japan, he clearly told me that he would like me to meet with General Secretary Gorbachev in January. Since the remarks were made by Mr Yakovlev, the No 2 man in the CPSU Central Committee, I did not give up hope.

[Shimizu] Now, on to the northern territories question: when you were foreign minister, Mr Abe, you said that the question would probably be solved by a political decision in the end. Since the Soviet Union invited you, is it possible that Mr Gorbachev will come up with a new proposal, or will you be advocating a position different from past Japanese positions?

[Abe] Both sides are well aware of this issue. At the recent Japan-USSR vice-ministerial talks, there were

discussions on this issue. In past meetings, the late Soviet Foreign Minister Gromyko indicated to me that there was no change in his attitude, saying the issue was already resolved. However, with the establishment of the Gorbachev administration, the territorial issue has reached the point where Soviet Foreign Minister Shevardnadze has agreed to discuss it, and the two sides are now discussing the issue. I think the territorial issue has progressed in the sense that it is now the subject of talks between the two countries.

[Hirano] Mr Abe, I think you know Soviet intentions to some degree since you served as foreign minister. Do you think a plan is necessary for us to resolve the territorial issue; for example, for Japan to make a formal proposal when Mr Gorbachev comes to Japan?

[Abe] I believe this will be a very difficult issue for us to resolve, and we can hardly hope for another chance if it is not resolved while Mr Gorbachev is in office.

[Shimizu] It was mentioned awhile ago that the new thinking of the Soviet Union is concentrating on East Europe. Does this mean that the Soviet Union, or Mr Gorbachev himself, has not yet made a final decision on the Soviet attitude toward Japan or the northern territories issue at the present stage?

[Abe] There is now no change in the Soviet official attitude. I do not know what Mr Gorbachev thinks. I will discuss this issue when I meet him. I do not know what posture he will show; however, I have high hopes for new developments on the part of the Soviets. I do not expect the meeting to resolve the issue, since it will not be a negotiating forum. I see Mr Gorbachev's visit to Japan next year as a chance to resolve the issue. My role is to to foster an environment for his visit.

[Shimizu] People in Japan frequently talk about Mr Yakovlev. He mentioned a third alternative when he visited Japan. There have been views among experts and scholars in Japan and the Soviet Union that the Soviet Union intends to return Habomai and Shikotan immediately to Japan, although he made no specific remarks on this. With regard to Kunashiri and Etorofu, a realistic compromise being hotly debated is that the Soviet Union will return them to Japan through continued talks with Japan in the future. Mr Abe, what do think?

[Abe] Certainly, there are various views in the Soviet Union, and I think this is major progress. However, the Soviet Government's official view on the issue has not changed at all. I think that the Soviet Union is aware that there will be no full development in Japan-Soviet relations unless a peace treaty is concluded after the territorial issue is settled. I think the Soviet Union ardently hopes to break the deadlock. However, the northern territorial issue is related to other issues. For example, Romania is demanding the return of territory from the Soviet Union following the inauguration of a new government. For the Soviet Union, the territorial issue is a global issue, and I think the country will respond to the northern territories issue with this in mind.

[Hirano] Stock prices were affected by reports that Mr Gorbachev canceled or postponed his scheduled meeting with Mr Kinnock of the British Labor Party. Amid this development, Mr Gorbachev will meet with you, and this is drawing world attention. At the meeting with Mr Gorbachev, known as a politician who uses diplomatic leverage to promote domestic policies, what other views do you expect to hear from him other than the northern territories issue?

[Abe] Basically, I am one of those who hopes perestroyka being promoted by Mr Gorbachev will succeed. Therefore, I hope to break the deadlock in Japan-Soviet relations in various fields. Needless to say, there is the territorial issue between Japan and the Soviet Union, and the issue is a difficult one to resolve. However, I think now is a good opportunity. I have been looking forward to seeing him. I think Mr Gorbachev's desire to meet me is an indication of the importance the Soviet Union attaches to Japan. I want to discuss Asian issues with him and to exchange views on what roles Japan and the Soviet Union can play. I think the time has come to improve Japan-Soviet relations, including resolution of the territorial issue, and to positively promote economic, cultural, and personnel exchanges between the two countries. Therefore, we must promote better Japan-Soviet relations. I hope to make efforts to foster an environment to make Mr Gorbachev's visit to Japan very fruitful.

[Hirano] There are expectations that Mr Gorbachev's true intentions will be revealed at the meeting with you.

[Abe] Yes, I want to have frank discussions with him.

[Shimizu] This is my last question. You asked us not to ask about domestic policy. However, I would like to ask a domestic policy question, since you are an influential politician within the LDP as well as a potential successor to Mr Kaifu. Is the LDP confident of retaining a majority in the upcoming general elections?

[Abe] I think it is imperative to retain a majority. If it works hard, it will be able to do that, although it might not win a landslide victory in the elections.

[Hirano and Shimizu] Thank you very much.

Two Near Midair Collisions Reported Off Okinawa

OW1101135790 Tokyo NHK General Television Network in Japanese 1000 GMT 11 Jan 90

[Text] Two midair collisions nearly occurred yesterday and today between Japan Airlines [JAL] passenger planes, one flying from Okinawa to Osaka and the other from Okinawa to Tokyo, and military aircraft above the East China Sea off Okinawa. Following the report of the JAL pilots, the Transportation Ministry has begun an investigation.

According to the reports filed by JAL, the first incident occurred at 1330 yesterday afternoon [0430 10 January], when as a JAL DC-10 leaving Naha for Osaka was

climbing about 68 kilometers north-northwest of Naha Airport at an altitude of 4,500 meters, the JAL pilot received information that F-15 fighters were flying at an altitude of 6,000 meters. At first, the JAL plane was flying among clouds. When the pilot noticed an F-15 fighter approaching close as the JAL aircraft emerged from the clouds, the JAL plane was forced to abruptly stop its ascent and pass under the F-15 fighter. Reportedly, the two planes were separated by a vertical distance of only 150 meters at that time.

When a JAL Boeing 747 jumbo jetliner leaving Naha for Tokyo was climbing about 86 kilometers north-northwest of Naha Airport at about 1230 this afternoon [0330 GMT 11 January], two unidentified fighters passed right above the JAL plane's flight path from starboard to port. Again, the two aircraft were only less than 150 meters apart.

After receiving the JAL reports, officials of the Aviation Bureau of the Transportation Ministry have begun an investigation into the two near misses. They are trying to find out if yesterday's F-15 fighters and today's fighter belong to the U.S. forces or to the Japanes Self-Defense Forces.

In connection with the reports, the Defense Agency maintains that jet fighters of the Air Self-Defense Force were not conducting flight exercises at the designated region and time, and, therefore, no planes should have been involved in the near misses.

Japan To Set Up Asian Training Centers

OW0901065290 Tokyo NHK General Television Netowrk in Japanese 1000 GMT 7 Jan 90

[Text] As part of an effort to promote economic cooperation with the Asian-Pacific region, the Ministry of International Trade and Industry [MITI] has decided to propose the establishment of occupational training centers in collaboration with Southeast Asian nations to train technicians. The proposal will be made at a meeting of nations concerned to be held next month. It calls for the establishment of industrial technology centers in Malaysia and Thailand to train junior-level technicians and factory managers, who are in short supply in Southeast Asian nations. The project would call for the foreign governments, Japan, and Japanese enterprises operating businesses in Southeast Asia to provide financial and managerial assistance. The proposal also calls for the establishment of an international business school in Japan to provide know-how in Japanese enterprise management to help Southeast Asian nations raise enterprise management efficiency in their respective countries. The concept also calls for Japan's cooperation in building industrial complexes in accordance with the circumstances in each nation concerned, by using Japan's experience.

The proposal will be Japan's first full-scale package for promoting economic cooperation within the Asian-Pacific region. MITI expects that further promoting economic cooperation in the region will lead to the strengthening and maintenance of the free trade system at a time when the framework of the world's economy is about to undergo major changes as a result of the detente in East-West relations and the integration of markets like the European Community.

Centers Planned To Boost Foreign Investment

OW0801112490 Tokyo KYODO in English 0942 GMT 8 Jan 90

[Text] Tokyo, Jan. 8 KYODO—The governmental Japan Development Bank said Monday that it will establish four investment centers overseas to help boost foreign business in Japan. The centers, which will be built in Washington, New York, London and Frankfurt, will provide information on Japanese markets as well as offer consultations on capital spending, joint ventures and other investment opportunities in Japan.

The plan was developed after the bank's loans to foreign enterprises hoping to enter Japan were almost doubled to around 30 billion yen in the fiscal 1990 national budget approved by the cabinet on December 29. The government intends to inform the United States of its plan when International Trade and Industry Minister Hikaru Matsunaga visits Washington on Monday.

Business Leader Urges Restraints on Car Exports

OW0901213190 Tokyo KYODO in English 0848 GMT 9 Jan 90

[Text] Tokyo, Jan. 9 KYODO—A top business leader said Tuesday the existing voluntary restraints on car exports to the United States should be continued for the fiscal year starting on April 1. "It's too early to make a decision on the restriction, but it appears a better choice to maintain it formally even though actual exports may fall short of it," said Takashi Ishihara, president of the Japan Association of Corporate Executives (Keizai Doyukai). Speaking at a regular press meeting, Ishihara said the U.S. auto industry in general has been under pressure from slow sales, a remark taken to stress the need to show Japanese support for the U.S. industry.

Japan has put the self-imposed restraints on U.S.-bound auto exports since fiscal 1981, beginning with an annual export quota of 1.68 million units. The quota has been 2.3 million units since fiscal 1985, but actual exports have fallen short of the quota since fiscal 1987 due to growing production within the U.S. by Japanese automakers and a higher yen.

Industry analysts have said exports will likely fall short of the 2.3 million ceiling also in the current fiscal year ending March 31. The projection has spawned an increasing view among auto industry officials that the auto export curbs should be discontinued in the coming fiscal year, although some officials, including Yutaka Kume, president of Nissan Motor Co., have voiced support for retaining them.

Minister of International Trade and Industry [MITI] Hikaru Matsunaga said last month, however, that Japan is likely to agree with a request by the United Automobile Workers' union for further curbs on exports to the United States. MITI is scheduled to decide before April 1 on whether to continue the restriction.

Fujitsu Develops New Superneurocomputer

OW0801142090 Tokyo KYODO in English 1114 GMT 8 Jan 89

[Text] Tokyo, Jan. 8 KYODO—Fujitsu Ltd. Said Monday it has developed the first superneurocomputer that can perform computations four hundred times faster than conventional neuromachines. The company said by linking 250 digital signal processors (DSP) in parallel the superneurocomputer was able to perform multiplication and arithmetic functions much faster than conventional ones.

Neurocomputers try to imitate the human thought process which is based on a man's neural system. So far, scientists have not had much success with developing a neurocomputer that is capable of understanding characters, images, voice recognition and learning functions. But scientists hope these next generation computers will go into practical use in the future.

The Fujitsu official said the superneurocomputer will have applications for intelligent robots and a stock buying and selling management system. The company hopes to commercialize the new superneurocomputer in 1991, the official said.

Corporation To Start Gas Feasibility Study

OW0901070090 Tokyo KYODO in English 0455 GMT 9 Jan 90

[Text] Tokyo, Jan. 9 KYODO—Nissho Iwai Corp. said on Tuesday that it will shortly begin a full-scale feasibility study on developing liquefied natural gas (LNG) off Hainan Island in the South China Sea, jointly with Chinese and U.S. oil developers. If the results prove favorable, they will form a joint venture to produce the LNG for sale to Japanese electric power firms, said the leading Japanese general trader.

A preliminary feasibility study by the U.S. partner, Atlantic Richfield Co. (ARCO), last May showed proven reserves in the area of more than 3 trillion cubic feet of gas, a Nissho Iwai official said. According to surveys, annual production of 1.5 million tons of LNG is possible, but this may require about 1 billion dollars in investment, the official said.

The China National Offshore Oil Corp. will have a majority stake in the joint venture, with the rest being shared by Nissho Iwai and the Los Angeles-based ARCO, the official added.

Mongolia

Politburo Annuls Statement on 'Prague Spring'

OW1001100690 Ulaanbaatar International Service in English 0910 GMT 27 Dec 89

[Text] The Politburo of the Mongolian People's Revolutionary Party Central Committee has decided to annul the earlier Mongolian Party and Government statement made in support of the introduction of five Warsaw countries' troops into Czechoslovakia during the events of 1968. The Politburo document says that this action was an outside interference in the internal affairs of an independent and sovereign country. This was acknowledged by all the relevant countries. At that time, the Mongolian People's Revolutionary Party Central Committee and the Mongolian Government issued a statement supporting this act. The Politburo considers as erroneous this expression of support to the action designed as resolving the events in Czechoslovakia by use of force, notes the document of the Politburo of the Mongolian People's Revolutionary Party Central Committee.

Batmonh Receives Indian Envoy's Credentials

OW0901134890 Ulaanbaatar International Service in English 0910 GMT 5 Jan 90

[Text] The new ambassador of India to Mongolia, Kushal Bakula, on Thursday [4 January] presented his credentials to Mongolian President Batmonh. The two men exchanged speeches.

The Mongolian leader noted with satisfaction growing Mongol-Indo ties in all spheres and highly assessed India's energetic foreign policy activities designed at safeguarding peace and creating a nuclear weapons-free and nonviolent world.

After the credentials-presenting ceremony, President Batmonh and Ambassador Kushal Bakula had a friendly conversation.

Leaders Greet Cambodian Leaders on National Day

OW0901091290 Ulaanbaatar International Service in English 0910 GMT 8 Jan 90

[Text] Mongolian leaders Jambyn Batmonh and Dumaagiyn Sodnom have sent to Cambodian leaders Heng Samrin and Hun Sen a telegram of congratulations on the occasion of the Cambodian National Day, the 11th anniversary of the Cambodian revolution.

The policy of national reconciliation being pursued by the Cambodian Government for a political settlement of the Cambodian problem and keeping with the vital interests of the Cambodian people is of great significance in turning Southeast Asia into a zone of stability and cooperation and safeguarding peace and security in Asia and throughout the world, underlines the message.

The Mongolian leaders have expressed the confidence that the relations between the Mongolian People's Republic and the State of Cambodia will further develop and strengthen in the spirit of the treaty friendship and cooperation between the two countries.

Jasrary Meets Academy Scientists, Researchers

OW0901122190 Ulaanbaatar International Service in English 0910 GMT 5 Jan 90

[Text] Alternate Politburo member of the Mongolian People's Revolutionary Party Central Committee, First Deputy Prime Minister Jasrary met Thursday [4 January] with the scholars and research fellows of the Mongolian Academy of Sciences. The ultimate object of economic reform lies in justly improving the living standards of the people and, within a brief spell of time, bringing them to the levels of the developed countries of the world, said Jasrary. In order to fulfill this task, every man must think a new mentality, live and work in new conditions. The solution of key economic problems in Mongolia will depend largely on the concrete efforts of scientists and reseach organizations, underlined Jasrary.

Activities in International Bodies Noted

OW1001140990 Ulaanbaatar International Service in English 0910 GMT 10 Jan 90

[Text] Mongolia's activities in UNCTAD, United Nations Conference on Trade and Development, assume new meaning. The country has been taking part in the activities of the international body from the very first days of its inception. [Words indistinct] but today things are different. Mongolia joined the Group of 77 as she is a developing country. This now gives Mongolia the opportunity to establish close contacts with practically all Afro-Asian countries. On the other hand, Mongolia has now received the possibility to use some preferential and (?bonus) assistance of developed countries and international financial and economic organizations. All this will help Mongolia further develop.

North Korea

South's Residents in Japan Greet Kim Chong-il

SK0601111890 Pyongyang KCNA in English 1019 GMT 6 Jan 90

[Text] Pyongyang January 6 (KCNA)—Dear Comrade Kim Chong-il received messages of greetings from compatriots under the influence of the "ROK Residents Association in Japan" ("MINDAN") in different parts of Japan including Tokyo, Osaka, Kyoto, Hyogo, Aichi, Fukuoka, Hokkaido, Saga, Oita, Okayama and Saitama and South Koreans staying in Japan on the new year 1990.

Noting that the homeland has achieved a great prosperity and development as there is sagacious Mr. Kim Chong-il, the great lodestar of guidance, they express their firm determination to work with redoubled efforts for the sacred cause of national reunification in the new year.

The messages wholeheartedly wish Comrade Kim Chong-il good health and long life.

South Students Attack Opposition Party Building

SK0701090690 Pyongyang KCNA in English 0811 GMT 7 Jan 90

[Text] Pyongyang January 7 (KCNA)—Some 40 students belonging to the Consultative Council of the General Student Councils in Pusan and Ulsan areas attacked the Western district party building of an opposition party in Pusan, on January 4 in protest against the deceptive "testimony at the National Assembly" by the traitor Chon Tu-hwan, an offspring of the ruling-opposition compromise, according to a report.

They threw stones and Molotov cocktails at the building and scattered printed matter denouncing the traitor Chon Tu-hwan's deceptive "testimony at the National Assembly".

The printed matter said that as the opposition party works to cover up the crimes of the traitor Chon Tu-hwan, the ringleader of the Kwangju massacre and chieftain of the "Fifth Republic misdeeds", after making a compromise with the hooligans of the "Democratic Justice Party", they attacked the opposition district party building in protest against it.

NODONG SINMUN on South's Labor Struggle

SK0901044290 Pyongyang KCNA in English 0426 GMT 9 Jan 90

[Text] Pyongyang January 9 (KCNA)—If the No Tae-u group tried to continuously suppress the labour movement in South Korea through a long string of intrigues, it would only result in arousing fiercer indignation among the workers, warns NODONG SINMUN today. The South Korean puppet ministry of labour on January 4 issued an order not to accept "applications of workers for labour disputes" such as "illegal strike and slowdown" and to "break up in advance the unauthorized disptes of workers" by "government power", the news analyst notes, and continues:

This move of the puppets is a criminal act intended to impute to the workers the responsibility for the bankruptcy of the South Korean economy and suppress the labour movement in South Korea which tends towards a new upsurge.

The blame for the hopeless crisis into which the South Korean economy has been plunged rests with the puppets themselves who totally leave the South Korean economy to the U.S. monopolies by introducing foreign capital and opening the market, and indulge in all kinds of irregularities.

The puppets are threatening that they will mobilize the "government power," meddling even in problems between the employers and workers, far from ensuring freedom and rights to the workers. This is arbitrariness which can be committed only by such military fascist clique as the No Tae-u group, an old hand in suppression.

They are trying to defend the interests of the monopolies and ensure the "security of power" by checking the action of the workers to struggle in a more organized way for defense of their democratic freedom and vital rights. This is clear to everyone.

Chuche Study Group Sends Literature to South

SK1001052890 Pyongyang KCNA in English 0510 GMT 10 Jan 90

[Text] Pyongyang January 10 (KCNA)—Literature expressing the wishes for longevity to the great leader President Kim Il-song and dear Comrade Kim Chong-il was sent by mail to many organizations, enterprises and personages in South Korea on the occasion of the new year, deeply moving them, according to South Korean radio "Voice of National Salvation."

The literature signed by the Namdo Society for the Study of the Chuche Idea was reported to read:

Let us make a deep bow to President Kim Il-song and leader Mr. Kim Chong-il in humble reverence and with best wishes.

President Kim Il-song is an anti-Japanese independence fighter who fought for the liberation of the country for twenty years and the sun of the nation who has worked hard for more than 40 years to turn the North into a welfare state envied by all people.

Leader Mr. Kim Chong-il is the lodestar of the nation who carries forward with brilliant wisdom and extraordinary leadership ability the cause of national independence pioneered by the president on the highest level.

It is because we have President Kim Il-song as the sun of the nation and leader Mr. Kim Chong-il as the lodestar of the nation that the dignity and value of our nation are being exalted in the international community.

Our nation knows no more value and no greater pride and privilege than the honour of having the great President Kim Il-song and the dear leader Mr. Kim Chong-il at the head of the nation.

As we are under President Kim Il-song and leader Mr. Kim Chong-il, the independent dignity of our nation shines and our nation has a bright future of reunification and independence.

Their longevity is the greatest happiness of our nation.

Let us all extend New Year greetings to President Kim Il-song and leader Mr. Kim Chong-il revered by all people, with the best wishes of all our fellow countrymen for their good health and long life.

Commentary Describes Chon Testimony as 'False'

SK1001053790 Pyongyang Domestic Service in Korean 0007 GMT 4 Jan 90

[NODONG SINMUN 4 January commentary: "The Fifth Republic Is Still Alive"]

[Text] A severe confrontation is developing between the ruling force and the masses of people in South Korea at the beginning of the new year in connection with the liquidation of the Fifth Republic matters.

Traitor No Tae-u and the rabble of the Democratic Justice Party [DJP] proclaimed that the question of liquidating the Fifth Republic matters had been settled through the traitor Chon Tu-hwan's so-called National Assembly testimony on 31 December last year.

The people of all strata are rebutting this and saying that the Fifth Republic has not been wiped out but revived.

The National Democratic Alliance of Korea [Chonminnyon], in its statement released in connection with the National Assembly testimony of traitor Chon Tu-hwan, stated that his testimony has served the role of expiating the crimes instead of disclosing the truth of the past. Chonminnyon stated that it would continue to struggle to liquidate the Fifth Republic matters.

The puppet police headquarters is raving that the guard of the U.S. Embassy, other U.S. facilities, the headquarters of the DJP and of the three opposition parties must be strengthened against the struggle the youths and students are expected to wage by surprise demonstrations and the occupation of facilities in protest to the Chon Tu-hwan's National Assembly testimony.

Judging from this, it is possible to realize the intensity of the people's opposition to the No Tae-u ring's declaration that the question of the Fifth Republic had been concluded.

No Tae-u has raved as if the Chon Tu-hwan's testimony at the National Assembly was something decisive in concluding the question of the Fifth Republic. However, this is nonsensical gibberish.

The traitor Chon Tu-hwan's testimony at the National Assembly was interrupted many times because of the denunciation by National Assemblymen and suspended as many as seven times. It only created undescribable disorders and eventually developed into a dogfight.

In giving his so-called testimony, Chon Tu-hwan only read the answers written by his devotees. His testimony was so absurd that it was impossible to tell what his answers were about.

What was even more lamentable was the content of his testimony. In connection with the case of the Irhae Foundation, traitor Chon Tu-hwan pretended as if he

doesn't know anything about it. Though the truth of the case was disclosed by his followers, he said that there was no such handling of matters and there could not be.

At the same time, he denied the case of the Kukche business group, though he dismantled it overnight, simply because of a word of complaint against him. He also denied his act of irregularities and corruption committed through the Saesedae Culture Association and the Heart Foundation, though he amassed colossal wealth through those organizations.

With regard to the atrocity of the Kwangju massacre, he tried to evade the responsibility by babbling about the self-defending rights and so on.

In everything he said in his testimony, traitor Chon Tu-hwan claimed that he committed no crimes at all and, thus, he was to blame for nothing.

After all, through the Chon Tu-hwan's testimony at the National Assembly, nothing has been disclosed further and nothing has been settled, as far as the truth of the Kwangju incident and the Fifth Republic irregularities is concerned.

The South Korean people say that testimony was sophistry. Nonetheless, the No Tae-u ring is raving about concluding the Fifth Republic issue by using the testimony as an excuse.

This being the situation, how can the people refrain from protesting?

From the beginning, the traitor Chon Tu-hwan's so-called testimony at the National Assembly was a product of the political deception of No Tae-u and Chon Tu-hwan designed to conceal the crimes of the Kwangju massacre and the Fifth Republic and to continue the fascist military dictatorship.

Prior to the Chon Tu-hwan's testimony at the National Assembly, traitor No Tae-u sent the Chongwadae chief secretary, the DJP National Assembly floor leader, and others to the Paektam Temple for intrigue. At the same time, he telephoned Chon Tu-hwan many times for conspiring, though he said that he would not meet him prior to his testimony. He also sent the list of questions to Chon Tu-hwan in advance and formed a team to prepare the letter of answers so that the answers would be provided in such a way as to do no damage either to Chon Tu-hwan or to himself.

Accordingly, from the beginning, it was clear to everyone that the truth of the crimes of the puppet traitors would not be disclosed through Chon Tu-hwan's testimony at the National Assembly, because his testimony was prepared in such a deceptive manner.

At the Chonwadae talks, a compromise was made between the ruling and opposition parties to conclude the Fifth Republic issue by having Chon Tu-hwan—the murderer who relentlessly killed the Kwangju citizens and the criminal of the Fifth Republic irregularities—give testimony at the National Assembly. From the beginning, this compromise itself was wrong. It was actually a crime of the No Tae-u ring designed to pacify the public opinion, to save the lives of the criminals, and to maintain the dictatorship of the Sixth Republic—the successor of the Fifth Republic—by ensnaring even the opposition parties.

The South Korean people's demands are to expose the truth of the crimes committed during the Fifth Republic and to punish the criminals and liquidate the military dictatorship of the Sixth Republic—the successor of the Fifth Republic.

But such demands of the people have been ignored and only false testimony was given by traitor Chon Tu-hwan to conclude the Fifth Republic issue. This is an intolerable insult and mockery of the people.

Traitor Chon Tu-hwan and other traitors of Kwangju are all still alive; murderer Chong Ho-yong arrogantly says he would take the National Assembly seat back by running again in by-election, though he had resigned from all public positions; and all other criminals of the Fifth Republic, who were once detained, have now all been released.

Under the situation which has been created by security affairs and in which the Fifth Republic has been revived, the people are being suppressed even more relentlessly.

The remnants of the Fifth Republic have not been liquidated but have been inherited by the dictatorship of the Sixth Republic.

While raving on the liquidation of the Fifth Republic, traitor No Tae-u has not fulfilled any of the pledges he made for democratization and is now trying to conclude the Fifth Republic issue by leaving even the ringleader of the Fifth Republic irregularities still alive. Such an act of his is a crime which can never be pardoned.

All the facts show that the liquidation of the Fifth Republic is possible only through the liquidation of the Sixth Republic.

The South Korean people will never forgive the No Tae-u ring which makes a mockery of the people and will, by pooling their strength, liquidate even the military dictatorship of the Sixth Republic by waging the gallant struggle.

Daily on Opposing 'Imperialist Aggression Moves'

SK0901110690 Pyongyang KCNA in English 1040 GMT 9 Jan 90

[Text] Pyongyang January 9 (KCNA)—NODONG SINMUN today carries a signed article headlined "to oppose imperialist aggression moves is fundamental need for the victory of the cause of independence."

Today the imperialists are making frantic efforts to undermine socialism and reimpose the yoke of expioitation and subjugation upon the people who are following the road of independence, the article says, and goes on:

What is noticed in the imperialist anti-socialist campaign at present is that they are persistently resorting to their reactionary "peace strategy" to disorganize socialism from within. In the guise of "peace" and "detente", the imperialists are also disarming people and intensifying their aggression against those countries which are taking the road of independence and progress.

They are taking a step for temporary relaxation of the tension, clamouring about "negotiation" and "disarmament" in one area and are reinforcing armed forces, strengthening military bases and staging war exercises to aggravate the tension in other area. The ceaseless nuclear war manoeuvres around the Korean peninsula, the recent open armed intervention in Panama and intensified anti-Cuban and anti-Nicaraguan moves well show what are "peace" and "detente" on the lips of the U.S. imperialists.

Under the cloak of "aid" and "cooperation" the imperialists are resorting to open intervention in other countries and overt moves to subjugate them.

All the criminal acts of the imperialists are a foolish scheme to pass their acute crisis and turn back the trend of history. It is a law of history that imperialism will go to ruin and the people's cause of independence, the cause of socialism will win.

The article calls upon the revolutionary people of the world to steadfastly adhere to the principles of anti-imperialism and independence, the principles of socialism in order to counter the imperialist manoeuvres, and fight to the end for victory of the cause of chajusong, the cause of socialism.

Article Denounces U.S. Actions in Panama

SK0401043890 Pyongyang KCNA in English 0438 GMT 4 Jan 90

[Text] Pyongyang January 4 (KCNA)—The U.S. imperialists must give up the anti-Cuban and anti-Nicaraguan moves at once and withdraw from Panama without delay, taking their hands of aggression off it, says NODONG SINMUN today in a commentary entitled "U.S. Imperialists Must Abandon Anachronistic 'Big-Stick' Policy".

Recalling that the U.S. imperialist aggressors who invaded Panama, an independent, sovereign state, with the force of arms attacked the Cuban and Nicaraguan Embassies and ambassadors' residences in Panama with tanks, armoured cars and helicopters, arrested and interrogated diplomatic envoys and embassy officials of these countries, the paper notes:

This, unprecedented in the history of diplomacy, is another high-handed violation of the publicly recognised international law stipulating diplomatic immunity and international usage and an open international terrorism. And this is an infringement upon the sovereignty and national dignity of Cuba and Nicaragua and a challenge to the peoples of these countries.

The governments and peoples of Cuba and Nicaragua are taking just self-defensive measures to safeguard the sovereignty and the revolution of their countries.

The Korean people pungently denounce the new anti-Cuban and anti-Nicaraguan moves of the U.S. imperialists and fully support the stand and steps taken by the governments and peoples of Cuba and Nicaragua.

The U.S. imperialists are scheming to stifle the Cuban revolution, keep off its influence and attraction and bar the flag of socialism from flying over the Western hemisphere. And, at the same time, they intend to nip the Nicarguan revolution in the bud and put a spoke in the wheel of its independent development.

The raid on the diplomatic missions of Cuba and Nicaragua following the armed invasion of Panama indicates that the U.S. imperialists launched into a full-scale action to attain their purpose of turning Latin-America into their "hereditary estate" and "tranquil backyard" and create the second Panama incident in Cuba and Nicaragua with it as an ignition point.

The U.S. imperialists are now trying to turn the gun of aggression from Panama to Cuba and Nicaragua by inventing a new pretext. Facts clearly show once again that "peace" and "detente" on the lips of the U.S. imperialists are a lie.

They should look squarely at the present situation and discard their anachronistic policy to dominate small countries with a "big stick".

U.S. Church Delegation Arrives in Pyongyang

SK0901152290 Pyongyang KCNA in English 1506 GMT 9 Jan 90

[Text] Pyongyang January 9 (KCNA)—A delegation of the National Council of the Churches of Christ in the United States of America headed by Robert Bates, chairman of the Committee of East Asia and Pacific in the National Council, arrived in Pyongyang today.

It was met at the airport by Yi Chol, vice-chairman of the Central Committee of the Korean Christians Federation, and other officials concerned.

Britain's 'Anti-Chinese' Moves in Hong Kong Hit

SK0601052190 Pyongyang KCNA in English 0440 GMT 6 Jan 90

[Text] Pyongyang January 6 (KCNA)—The British Government recently made public a unilateral decision to grant to 50,000 families of 225,000 Hong Kong residents the full status of British citizenship with the right to

reside in Britain. Denouncing this as a grave act of violation, a news analyst of MINJU CHOSON today says:

With regard to this, China, through a spokesman for its Foreign Ministry, branded the British Government's arrogant act as a "gross violation of the commitments" and manifested its stand that if the decision was not rescinded, it "will take an appropriate step".

This is entirely natural.

We support the just stand of China.

After the publication of the sino-British joint statement the British Government, too, expressed its willingness to observe it on several occasions. But the British Government recently decided to grant the right of permanent residence in Britain to many HONG KONG residents, ignoring the joint statement. Furthermore, Britain is trying to "internationalize" the Chinese residents.

Although it is talking volubly about "fulfilment of commitments" and "cooperation", Britain is, in actuality, attempting to destabilize the situation of other countries.

The British Government must ponder over the matter in keeping with the trend of the time and show sincerity in the just settlement of the Hong Kong problem.

If it continues the anti-Chinese campaign, it will be held responsible for all the consequences arising therefrom.

The British Government must unconditionally observe the commitments agreed upon between the two countries and stop its anti-Chinese moves.

Chinese Daily's Article Supports Kim Proposal

SK0901043690 Pyongyang KCNA in English 0416 GMT 9 Jan 90

[Text] Pyongyang January 9 (KCNA)—The Chinese LIBERATION DAILY January 6 published an article on the new save-the-nation proposal for national reunification set forth by the great leader President Kim Il-song in his New Year address.

In the article titled "Proposal Reflecting Desire for National Reunification," the paper said that President Kim Il-song in his New Year address for 1990 proposed to pull down the concrete wall built in the area South of the Military Demarcation Line, ensure free travel and realize complete opening between the North and the South for the reunification of Korea and, to this end, to convene a top-level conference in which the heads of the authorities and leaders of political parties in the North and the South will take part.

This proposal reflects the ardent desire of the Korean people for national reunification and represents the stand for the independent and peaceful reunification of the country which has been consistently maintained by the Korean party and government, the paper noted.

The concrete wall cutting across the central part of the Korean peninsula, it stated, is a wall of division bisecting one Korea.

Noting that the desire of the people in the North and the South of Korea for reunification is growing intense, the paper continued:

President Kim Il-song said that, for the reunification of the country, the concrete wall dividing Korea and other hurdles should be removed, the workers, peasants, youth and students and personages of all circles in the North and the South be allowed to visit the area of the other side freely and the two parts should open their doors fully to each other in all fields including politics, the economy and culture.

Editorial Stresses Organizational, Political Work

SK0501010590 Pyongyang Domestic Service in Korean 2118 GMT 4 Jan 90

[NODONG SINMUN 4 January editorial: "Party Organizations Should Vigorously Wage Organizational and Political Work To Accelerate the New Year's Advance"]

[Text] Upholding the great leader Comrade Kim Il-song's New Year address this year, all party members and workers throughout the country have vigorously risen in the struggle of the first year of the 1990's.

Today the party organizations at all levels, which accepted the brilliant design for the new year, are faced with the task of aggressively waging the organizational and political work to effect a great upsurge in the socialist economic construction.

The great leader Comrade Kim Il-song has taught: This year, the fourth year of the Third 7-Year Plan, we should register another great revolutionary upsurge in socialist construction by vigorously waging the all-mass movement for the maximum production increase and conservation and by cherishing the revolutionary spirit for self-reliance and arduous struggle.

Vigorously waging the organizational and political work by party organizations is a priority demand for successfully accomplishing the tasks in socialist economic construction put forward by the great leader Comrade Kim Il-song in his New Year address this year.

The respected leader put forward a militant task for effecting a great revolutionary upsurge in socialist construction by vigorously waging the all-mass movement for the maximum production increase and conservation. The revolutionary task is a just policy which is based on scientific analysis of legitimacy of the development of socialist economy and practical demand of the development of the national economy of our country.

Today immeasurably enormous production potentials have been provided in our country. If party organizations ignite the fierce flames of struggle for production

increase and conservation through vigorous organizational and political work, a great upsurge can be registered in the socialist construction and an epochal turning point can be effected in the development of the national economy.

The economic tasks, including industrial and agricultural, put forward by the great leader Comrade Kim Il-song in his address are enormous militant tasks which can be accomplished only when all the people vigorously rise in the new general march.

These tasks demand that party organizations at all levels aggressively wage the organizational and political work to encourage and inspire the party members and workers to the new year's struggle and direct great strength to the work with men. It is of great significance in accelerating our people's great socialist march that party organizations properly carry out the organizational and political work for victory of this year's struggle.

This year is the first year of the nineties, the era of hope and struggle. As our proverb, "the beginning of work means half completion," indicates, the success in socialist construction in the nineties largely depends on how one wages the combat of this year.

Only when we loudly sound this year's drum of revolution and the trumpet for advance of speed battle, can we accomplish ahead of schedule the magnificent goal of the third 7-Year Plan and fly the banner of victory on the higher peak of socialist construction for the hopeful nineties.

As the great leader elucidated in his New Year address, the enormous tasks facing us today are a rewarding struggle to build socialism more properly in accordance with the demand of chuche. When party organizations vigorously carry out this year's combat, superiority of the socialist system in our country—where the chuche idea is embodied—will be more highly demonstrated and its dignity and honor will be enhanced.

What is important as concerns organizational and political work for party organizations to inspire the masses to is, above all, to encourage all party members and workers to have a revolutionary position and determination to unconditionally and thoroughly accomplish the tasks put forward in the great leader's New Year address by keenly understanding them.

It is an important guarantee for successfully accomplishing this year's enormous tasks to firmly assume the position and determination to uphold the great leader's teachings and the party's intent with practical success. When the position to uphold the party's intent with practical success is firm, numerous reserves for production increase and conservation can be discovered everywhere and a great production upsurge can be effected by mobilizing such reserves.

Party organizations in all domains and all units should explain and deeply encourage militant tasks put forth by the great leader in his New Year address. These tasks include one for effecting a great upsurge in the economic construction through the struggle for production increase and conservation by the masses, and should organize the mass political work to implement them. Thus, the party organizations should encourage the masses to courageously rise in the new year's march with a lofty revolutionary zeal and Spirit for self-reliance and arduous struggle, thus creating labor exploits.

What is particularly important in doing this is making the masses keenly aware of the intent of the party center—to effect a great upsurge by directing greater strength to this year's socialist economic construction.

Dear Comrade Kim Chong-il put forth a plan this year for the entire party, the entire nation, and all the people to effect a great upsurge for further glorifying our fatherland and epochally enhancing the standard of the people's material and cultural life.

All party organizations and functionaries should keenly understand the decision and intent of the party to effect a great revolutionary upsurge by upholding the great leader Comrade Kim Il-song's New Year address and should vigorously wage the organizational and political work in conformity with the party's decision and intent. Thus, they should encourage all functionaries and workers to vigorously rise in the new year's general march with renewed determination and the spirit of struggle.

What is also important in the organizational and political work of party organizations in successfully ensuring the new year's combat is to establish thorough and timely measures and methods to accomplish the tasks put forth by the great leader Comrade Kim Il-song's New Year address.

It is a glorious and rewarding mission for all party organizations at present to unconditionally and thoroughly implement the tasks of economic construction put forth by the great leader Comrade Kim Il-song in his New Year address.

All party organizations should establish correct and concrete measures and methods for thoroughly accomplishing these tasks through the collective leadership of the party committee and should substantively organize the assignment of work to implement such measures and methods. Thus, all party organizations should encourage all party members and workers to keenly realize what and how they should accomplish the great leader's New Year address, and to unanimously rise in implementing his address. They should also see to it that the entire country saturate themselves with the struggle to implement the leader's New Year address.

It is an important task, to which all party members should direct particular strength this year, to establish the revolutionary measures for effecting a great upsurge

through the maximum production increase and conservation and to substantively wage the organizational and political work.

Through collective discussions by the party committee, all party organizations should substantively establish measures and methods for putting the appeal of the party and the leader for production increase and conservation into practical struggle. Thus, they should see to it that all places seethe with the struggle for production increase and conservation.

At the same time, relevant party organizations should correctly establish the direction and methods for accomplishing the militant tasks of accelerating and rapidly completing the construction of major facilities with the new speed of the nineties and should encourage the relevant functionaries to properly work out the economic organizational work.

What is particularly important in accomplishing the tasks put forth by the great leader Comrade Kim Il-song in his New Year address is to increase the production of electric power, coal, iron and steel, to effect a turning point in the development of light industry and to vigorously push ahead with implementation of the rural thesis and the construction of houses.

Party organizations should actively establish measures for unconditionally accomplishing the categorical tasks put forth in the great leader's New Year address.

What is important in vigorously inspiring the masses to the new year's march is for party organizations and functionaries to deeply mingle with the masses. Party organizations and functionaries should deeply mingle with the masses according to the demand of Chongsanri method and Taean work system as taught by the great leader in his New Year address. Party organizations should also explain and deeply permeate the new year's brilliant tasks into the masses by living under the same roof with them, so that new innovations are registered.

All functionaries, including those of the party, should carry out lively activities for implementing the new year's combat by upholding the party's intent for encouraging them to mingle with the masses and to inspire them. They should become the banner-holders who inspire and lead the masses at their van.

Further deepening and developing the mass movement including the movement to win the red banner of the three revolutions and the movement to follow and learn from the example of unheralded heroes are the important demand which the party organizations should adhere to for acceleration of this year's march.

Party organizations should more properly establish the goal for the movement to win the red banner of the three revolutions according to the new year's militant tasks and should strengthen the guidance over mass movement. Thus, they should see to it that all workers effect a lofty production upsurge by igniting the flames of the three revolutions. At the same time, they should also see to it that the entire nation seethe with the atmosphere of mass movement for the maximum production increase and conservation.

It is a key to victory of this year's combat to substantively carry out the ideological indoctrination work. All party organizations should more intensively carry out the indoctrination about our party's greatness and the indoctrination work for arming the masses with the chuche idea so that they accelerate the new year's march with confidence and a spirit of struggle.

All party organizations and functionaries should vigorously wage the organizational and political work for effecting a great upsurge in the socialist economic construction by upholding the great leader Comrade Kim Il-song's New Year address so as to brilliantly accomplish the tasks of the first year of the 1990's.

Reports on Increased First Day Production Quotas

SK0301230390 Pyongyang KCNA in English 2239 GMT 3 Jan 90

[Text] Pyongyang Januar[illegible] (KCNA)—Working people of Korea overfulfilled their first production quotas in the new year in hearty response to the New Year address of the great leader President Kim Il-song.

The metal workers effected a great upsurge in production on the first day of the year.

At the beginning of the year the workers of the Kim Chaek iron and steel complex increased the production to 111.4 percent in pig iron, 116.6 percent in steel and 225.5 percent in rolled steel as against last year's corresponding time.

The workers of the Chollima steel complex topped the first-shift assignments 10 percent in steel, 5 percent in rolled steel and 20 percent in wire rope.

The workers of the power industry including the Pyongyang and Pukchang thermo-power complexes also went beyond their power production quotas for the first day.

Those of the Pyongyang thermo-power complex surpassed the first-shift target five percent and the second-shift target eight percent.

The carbide producers of the Sunchon vinalon complex and the cement producers of the February 8 cement complex successfully carried out their first-day quotas by controlling the facilities effectively and operating them at full capacity.

Reports about increased production on the first day have also come from the mining industry, capital construction and other industrial sectors.

Metal Industry Develops With Independence

SK0901152090 Pyongyang KCNA in English 1500 GMT 9 Jan 90

[Text] Pyongyang January 9 (KCNA)—Korea's metal industry rapidly developed to be a chuche-based independent industry with fully equipped production sections in the 1980s.

In this period efforts were made to largely reconstruct the existing metal plants and build many new ones so as to further increase the chuche character and independence of metal industry.

As a result, new steel works and smelteries made their appearance in different parts of the country and the existing iron and steel bases were largely reconstructed on an expansion basis.

The first-stage expansion project of the Kim Chaek Iron and Steel Complex, a leading metallurgical base, was followed by the vast second-stage project involving 58 units of production and auxiliary systems including a holding furnace and oxygen plant, which created millions of tons of steel production capacity.

A continuous roughing machine and a 6,000-cubic metre oxygen plant were commissioned and several projects of auxiliary systems completed at the Hwanghae Iron and Steel Complex and a new-type large steel furnace was built at the Songjin Steel Complex.

The May 18 large-scale stamp-forging factory, the stainless steel pipe shop and the 6,000-cubic metre oxygen plant shop were put into operation at the Chollima Steel Complex.

The construction of steel works no. 8 was completed and several rotary calciners were built at the Chongjin Steel Works in this period.

Notably, many scientific and technical problems were solved in installing new steel production processes relying on domestic raw materials and fuel and hundreds of kinds of steel and other materials were newly developed, with the result that the chuche character and independence of ferrous metal industry increased.

Along with the rapid development of steel industry, the September 21 Smeltery, the Pyongbuk Smeltery, the Tanchon Smeltery and the October 13 Youth Smeltery in Haeju were commissioned, several automated blast furnaces were built at the Nampo Smelting Complex and the Munpyong Smeltery to further increase the might of nonferrous metal industry.

Today Korea's metal industry successfully produces all kinds of metals ranging from pig iron and steel to the goods of second-stage metal processing, fully meeting the demands of the national economy for irons and steels.

In the 1980s Korea laid solid foundations to attain the ten million-ton target of steel and the 1.7 million-ton target of nonferrous metals envisaged in the ongoing Seven-Year Plan (1987-1993).

Engineering 'Turned' Into 'Mighty Industry'

SK0401232690 Pyongyang KCNA in English 1508 GMT 4 Jan 90

[Text] Pyongyang January 4 (KCNA)—Korea's engineering industry has turned into a mighty industry with its structures further rounded off and its potentiality grown enormously in the 1980s.

The great leader President Kim Il-song has taught:

"Today our engineering industry proves its merits to the full in developing our country's economy and carrying out the technical revolution".

Today Korea's engineering industry produces and supplies complete sets of equipment for industrial establishments in all domains of the national economy such as large-scale chemical and metal works and power stations and produces all kinds of machines and equipment including latest types of special machine tools and precision machines.

Newest machines and equipment of thousands of kinds have been developed in recent years. Among them are scores of kinds of machinery worthy of worldwide attention such as the 10,000-ton press, the 40,000-cubic meter gas centrifugal compressor, the 6,000-cubic meter oxygen plant, 180-ton high-pressure compounding tank, the mechanical progressive transmission, and the 16,000-ton winding super high-pressure press.

The nation's output of machinery increased 1,690 times in 1986 as against 1946 and the proportion of self-sufficiency in machinery has reached 98 percent.

Some 20 modern machine plants including the Taean general heavy machine works, the April 25 machine plant, the September 18 factory were commissioned in the 1980s.

The result that the inner structures of engineering industry have been further rounded off.

The capacity-expansion projects of several dozen objects including the ministry of Yongsong machine industries, the Nakwon machine complex, the Huichon general machine-tool works and the Sungni general motor works have been completed to nearly double their production capacity.

Engineering industry satisfactorily supplied machinery and equipment needed for the grand socialist construction of large and newest machines were successfully supplied to the first-stage project of the Sunchon Vinalon Complex, the May 18 large stamp-forging factory and other factories and enterprises which were commissioned last year.

These automated machines of high precision were manufactured by Korean scientists and technicians with their own designs and technology and home-made equipment.

A great turn has taken place in machine-tool industry, electronics and automation industries under the energetic guidance of dear Comrade Kim Chong-il in the late '80s.

He unfolded a grand plan to realize a comprehensive automation of production process in all branches of the national economy and took concrete measures.

He has given on-the-spot guidance several times to the ministry of Yongsong machine industries and the Nakwon Machine Complex since 1984.

Under his guidance, new production bases of electronics, automation elements, and appliances have been built in all parts of the country and numerical control machine tools, digital combined processing machines and latest numerically controlled devices were developed and the flexible production system introduced.

At the same time, robotisation of production processes has been accelerated.

Korea which aims at automation and robotisation of production processes in the near future, directs great efforts to the development of the engineering industry, particularly to machine-building industry and electronics and automation industries.

'Proud' Achievements in Chemical Industry Noted

SK0801103890 Pyongyang KCNA in English 1029 GMT 8 Jan 90

[Text] Pyongyang January 8 (KCNA)—Korea has made proud achievements in the chemical industry in the 1980s.

The great leader President Kim Il-song has said:

"While rehabilitating and expanding existing chemical factories on a new technological basis, we must extensively build new chemical industrial bases relying on resources of our country."

The chuche character and independence of the chemical industry has been markedly strengthened in the 1980s through the work of extensively building new chemical industrial bases and of rehabilitating and expanding existing chemical factories with modern technique.

During the time, the Hamhung movilon factory, the Pyongsong synthetic leather factory, the Tanchon reagent factory and many other large and minor chemical factories have been built in different parts of the country.

The Sungri chemical complex, the July 7 chemical complex, the Chongjin chemical fibre complex, the Sinuiju chemical fibre complex and other existing chemical bases have been reconstructed and expanded on a large scale.

In particular, the method of making carbide by means of oxygen heat has been perfected and the first stage of the Sunchon vinalon complex commissioned. This is one of the proud successes made in the chemical industry in the '80s.

The commissioning of the first stage of the Sunchon vinalon complex opened up a broad vista to produce in large quantity various kinds of chemical goods urgently needed for the development of light industry and people's living.

The complex will produce some 30 kinds of chemical goods including 100,000 tons of vinalon, 1,000,000 tons of carbide, 750,000 tons of methanol, 900,000 tons of nitrogenous fertilizer, 250,000 tons of vinyl chloride, 250,000 tons of caustic soda, and 400,000 tons of sodium carbonate.

The construction of the Sariwon potassic fertilizer complex has successfully been stepped up.

When the complex is commissioned, it will produce hundreds of thousands of [tons] of potassic fertilizer and allumina and over ten million tons of cement a year.

The Tanchon ammonium phosphate fertilizer factory, the Haeju double superphosphate factory and many other large chemical factories are being built.

The chemical industry of the country has developed into a powerful industry harmoniously equipped with inorganic and organic chemical industries strictly relying on its own raw material and fuel resources, satisfactorily meeting the growing demand of the national economy for vairous kinds of chemical goods.

Korea's chemical industry has its target to produce 7,200,000 tons of chemical fertilizers, 225,000 tons of chemical fibre, more than 500,000 tons of synthetic resin and plastisizer in 1993, the last year of the new long-term plan period.

In this period it is planned to increase the production of sodium carbonate, caustic soda and sulphuric acid 4.5, 2.1 and 3 times each.

People Resolve To Implement Production Tasks

SK0601222190 Pyongyang KCNA in English 1501 GMT 6 Jan 90

[Text] Pyongyang January 6 (KCNA)—An unprecedented tide of productive upsurge and revolutionary zeal is sweeping Korea starting the march of the first year of the 1990's.

The working people across the country are holding meetings to fulfil the militant tasks set forth by the great leader President Kim Il-song in his New Year address

and resolving to bring about another innovation in production and construction.

The builders of the Sunchon vinalon complex, a chemical giant, vowed to increase the vinalon production capacity and create a production capacity of 900,000 tons of nitrogenous fertilizer and additionally create production capacity of 100,000 tons of vinyl chloride and the same amount of caustic soda this year by accelerating the second-stage construction of the complex while consolidating the achievements in its first-stage commissioning.

The workers of the Komdok mining complex, a leading non-ferrous metal ore production base, set themselves the high goal of boosting ore output 60 percent above the peak year, while accelerating the development of the depth and surrounding areas which has already begun and the building of new pits.

The Musan mining complex has lifted the goal of concentrated ore production 2.2 times as against last year's results. The Anju district coal mining complex resolved to increase by far the productivity per employee by introducing more than 1,000 new technical innovation proposals into production.

The workers of the Pyongyang textile combine firmly resolved to carry out with credit this year's national economic plan set 43.5 percent above last year's to effect a great turn in implementing the party's policy of revolution in light industry.

South Korea

China's Lifting of Martial Law 'Welcomed'

SK1101071690 Seoul YONHAP in English 0654 GMT 11 Jan 90

[Text] Seoul, Jan. 11 (YONHAP)—South Korea welcomed Thursday China's lifting of martial law, imposed last May, as a step that will "promote exchanges between Korea and China."

Beijing has no diplomatic relations with Seoul though the two nations have a growing bilateral trade.

"The government cautiously observes Chinese political developments from the point of view that stability in China is important to regional peace and stability, including the Korean peninsula," Foreign Ministry Spokesman Chong Ui-yong said.

"The government welcomes the step because it will positively influence China's relations with the West as well as its reforms and open-door policy," Chong said.

"The step will promote exchanges and cooperation between Korea and China, which have continuously improved relations in recent years," he said.

Gregg Kwangju Visit Aimed at Placating Citizens

SK1001124790 Seoul CHUNGANG ILBO in Korean 9 Jan 90 p 14

[Article by reporter Wi Song-un in Kwangju summing up Ambassador Gregg's visit to Kwangju: "His Visit to Kwangju Was Aimed at Placating Anti-U.S. Sentiment, But Ended Up Rekindling Emotion"]

[Text] U.S. Ambassador Donald Gregg's visit to Kwangju was aimed at placating Kwangju citizens' anti-U.S. sentiment, but it ended up rekindling emotions in Kwangju citizens who had been inflamed by former President Chon Tu-hwan's testimony at a National Assembly hearing. When Ambassador Gregg insisted on going to Kwangju shrugging off police information that "he might be abducted," a considerable number of Kwangju citizens appreciated his courage and sense of responsibility. However, his remarks in meetings with Kwangju citizens and press conferences that "the United States had nothing to do with the 18 May [Kwangju uprising]" have irritated them.

Consequently, on 8 January, the second day of Ambassador Gregg's visit to Kwangju, about 50 students staged a demonstration demanding in slogans that he be punished and later raided a police box in No. 1 Chisan-tong, Kwangju. The same day, about 500 students under control of the South Cholla Provincial Branch of the National Council of University Student Representatives [Namdaehyop] gathered on the campus of Choson University and burned Ambassador Gregg in effigy.

Also on 5 January, organizations formed in relation with the 18 May incident and some dissident groups released statements refusing Ambassador Gregg's visit to Kwangju. Song Ki-suk and Myong No-kun, professors at Chonnam University; Cho A-ra, honorary chairman of Kwangju YWCA; and Chon Kye-ryang, president of the association of the families of the 18 May victims, four among those who had been invited to a banquet arranged by Ambassador Gregg at the residential building of the American Cultural Center in Kwangju located in Tongmyong-tong, Kwangju, at 1620 on the afternoon of 8 January, did not show up.

What was it that the United States, which must have been well aware of the mood that prevailed among the majority of students and a considerable number of citizens in Kwangju who did not try to hide their opposition to his visit, sought to achieve through Ambassador Gregg's visit to Kwangju?

Ambassador Gregg described his visit to Kwangju as "part of his courtesy visits" in a press conference held on the first day of his visit. Later, however, in another press conference held on 8 January he referred to his visit as "part of business to discuss things concerning the reopening of the Cultural Center and as part of an effort to have open-minded dialogue about the tragic incident that took place in Kwangju," disclosing the fact that he had something up his sleeve.

When asked why he came to Kwangju now, of all times, when the Kwangju citizens were angry with the testimony before the National Assembly public hearing, Ambassador Gregg said: "I want to be U.S. ambassador to the whole of Korea, including Kwangju, and I know that the majority of the Korean people want to put behind them the issue of liquidating the legacies of the Fifth Republic, although they are not happy with the outcome of the effort." By uttering such remarks, he seemed to say that the United States, too, wants to put an end to its role played in the 18 May incident once and for all.

During his recent visit to Kwangju, Ambassador Gregg tried to emphasize to some moderate people who have common interests with them [as published] that the United States had nothing to do with the 18 May incident.

He rendered this impression stronger by meeting eight persons who have visited the United States at the invitation of the U.S. State Department in a breakfast meeting on the morning of 8 January and by repeatedly emphasizing to the people he met at the 8 January banquet and during his visit to the Democratic Justice Party building in Kwangju, that the United States had nothing to do with Kwangju.

During his visit to the Party for Peace and Democracy office in Kwangju, he revealed his intention to placate the emotion in the hearts of people from this region by particularly emphasizing the fact that the United States tried to help Kim Tae-chung and that the Reagan administration made amnesty to Kim Tae-chung a condition for Mr Chon Tu-hwan's visit to Washington.

All told, Ambassador Gregg's visit to Kwangju can be described as one through which he has sought to placate the Kwangju citizens' anti-U.S. sentiment to the fullest extent by stressing that the United States played no role at all during the Kwangju democracy movement.

Daily Assesses Visit to Kwangju

SK1001124590 Seoul HANGUK ILBO in Korean 9 Jan 90 p 14

[Article by reporter Kim Su-yong: "'Courtesy' Call in Appearance But a Call To Bring an End to 'Anti-Americanism' in Reality—Why Did Gregg Go to Kwangju?"]

[Text] Great attention was focused on the fact that on the afternoon of 7 January, U.S. Ambassador to Korea Donald Gregg arrived in Kwangju, which has shown a sensitive reaction to the attitude the United States assumed during the Kwangju democratization movement, and that he stayed in Kwangju for 3 days and 2 nights.

Ambassador Gregg tried to attach little significance to his visit to Kwangju by saying: "I am paying a courtesy call with no special purposes. I have visited Pusan, where an American Cultural Center is located, and I will soon visit Taegu, where another American Cultural Center is located." However, dissident organizations in Kwangju promptly reacted to his visit by saying that "he is visiting Kwangju to explain the alleged U.S. responsibility for the 18 May incident."

On the morning of 8 January, while chanting anti-U.S. slogans, approximately 100 university students threw garbage and tear gas powder at a police box approximately 500 meters away from the residence of the director of the American Cultural Center in Kwangju, where Ambassador Gregg was staying.

Also that day, the Chonnam University General Student Council released a statement that read "We resolutely oppose the visit to Kwangju by U.S. Ambassador Gregg, who masterminded the Kwangju massacre behind the scenes."

Despite such protests, upon arriving in Kwangju, Ambassador Gregg visited a U.S. Air Force base and heard a briefing on the status of this base and visited the Kwangju National Museum and the Kwangju Municipal Folklore Museum as scheduled. That evening, he attended a banquet hosted by the president of KWANGJU ILBO Song Chong-tae.

Also, on the morning of 8 January, he had breakfast at the Grand Hotel with a total of eight journalists, college professors, and religious figures and explained the U.S. position on the withdrawal of U.S. forces from Korea. He also paid a courtesy call at Song On-chong, governor of South Cholla Province.

When questioned about the U.S. role during the 18 May incident at a press conference held at the Grand Hotel that afternoon, Ambassador Gregg said that "even though [the United States] asked the [Korean] military to restrain itself, the then military leaders did not accept this request." This way, he reiterated the U.S. side's rebuttal to former President Chon Tu-hwan's testimony.

Ambassador Gregg tried to invite to the residence of the director of the American Cultural Center in Kwangju a total of 10 dissidents, professors, journalists, and artists, including Cho A-ra, honorary chairman of Kwangju YMCA; Chon Kye-ryang, chairman of the Association of Bereaved Families of the 18 May Kwangju Popular Resistance; and Myong No-hun, chairman of a committee to erect 18 May monuments and to carry out memorial activities, and to have a dialogue with them on anti-U.S. sentiment. However, Chairman Chon and almost all the other people mentioned above did not go; only four people, including Rev Han Wan-sok of Kwangju Cheil Church, went.

Honorary Chairman Cho said, "It is not good for Ambassador Gregg to meet with dissidents in Kwangju; this may cause diplomatic disputes." Chairman Chon rejected the invitation, saying, "Under circumstances in which the truth of the 18 May incident has not been clearly found, the U.S. explanation that it had nothing to do with it is a defilement of Kwangju citizens."

Meanwhile, the police began to assume an alert posture on 7 January and stationed special guards wherever he went.

It was learned that at first, the police called on Ambassador Gregg to cancel his visit to Kwangju, saying that "intelligence reports say that Ambassador Gregg may be kidnapped if he comes to Kwangju," and that Ambassador Gregg had decided to go ahead with his plan, saying, "I know very well that not all of the Kwangju citizens harbor anti-U.S. sentiment" and that "wrong perceptions must be removed through dialogue."

Ambassador Gregg is scheduled to meet and have dialogue with businessmen, reporters of university newspapers, Archbishop Yun Kong-hui, and other people on 9 January.

Ambassador Gregg said that the main objective of his visit is to ask people in Kwangju to cooperate in reopening the American Cultural Center in Kwangju at the earliest possible date.

However, some people say that his abrupt visit is an embarrassing episode to Kwangju citizens and may worsen their perception of the United States. Therefore, it seems to be difficult to expect any significant achievements from his visit.

U.S. Demands Better Property Rights Protection

SK0601055090 Seoul YONHAP in English 0159 GMT 6 Jan 90

[Text] Seoul, Jan. 6 (YONHAP)—Trade and Industry Minister Han Sung-su pledged to launch a sweeping crackdown on violations of intellectual property rights Friday [5 Jan] in a telephone call to U.S. Trade Representative Carla Hills.

Moving to eradicate a major source of trade friction with the United States, Han promised to take stern action against trademark forgery and bootleg videotapes and software piracy. The ministry will revitalize a special task force in concert with the culture and the science and technology ministries, Han told Hills. He said protection of intellectual property rights is a concern of Korean as well as U.S. industry.

Hills had demanded the crackdown on forgeries and piracy of movies, videotapes and software in a call to Han, telling him that U.S. officials and businessmen were complaining that Korea failed to provide sufficient protection of property rights. She urged particular attention be paid to intellectual property rights before the Korea-U.S. trade ministers talks Feb. 12-13 in Washington.

No To Consider Parties' Contact With North

SK1101101190 Seoul YONHAP in English 0944 GMT 11 Jan 90

[By Hong Sang-pyo]

[Text] Seoul, Jan. 11 (YONHAP)—President No Tae-u is willing to consider allowing South Korea's political parties to make limited contact with North Korea to discuss reunification of the Korean peninsula, presidential spokesman Yi Su-chong said Thursday. The president made the concession in talks with opposition leader Kim Tae-chung on state affairs and pressing national issues, Yi said.

"The government will allow political parties to send delegations to North Korea or have contacts with North Koreans under government authorization and cooperation and within the limits of the principle that South-North dialogue must be conducted through government channels," the spokesman said.

It is the first time a South Korean Government, which until now have staunchly held that the government is the sole channel of South and North Korean contacts, has expressed its readiness to allow political parties to directly contact the North for discussions on reunification.

But Kim joined No in warning North Korea against trying to contact political parties and social organizations outside the formal channels, saying such an act would be interpreted as a deliberate attempt to disturb and confuse South Korean society, Yi said.

In their four-and-half-hour luncheon meeting, No and Kim also agreed to make joint efforts to stabilize politics and overcome difficulties facing the economy based on the spirit of "compromise" formed between No and the opposition leaders last month.

The two shared the view that the government should steadily push ahead with efforts to sign with North Korea agreements on travel, communications and trade to set a base for integration of the Korean people in the 1990s.

They agreed a follow-up to the compromise on liquidating remnants of former president Chon Tu-hwan's rule should be drawn up at a National Assembly session next month, Yi said. Follow-up measures may include revision of so-called undemocratic laws—the National Security Law and the law on the Agency for National Security Planning [NSP]—and compensation for victims of the military crackdown on the 1980 Kwangju civil uprising.

The president and the leader of the Party for Peace and Democracy shared the view that the realignment of the

current four-party system should not take place artificially and hastily, dissenting from moves by opposition leaders Kim Yong-sam and Kim Chong-pil to reshape the political structure.

Kim expressed his view that the courrent four-party system should be further developed based on dialogue and compromise while No said restructuring should be handled prudently in accordance with the public aspiration and in cooperation with other political parties, the spokesman said.

No and Kim agreed that the politics of compromise and cooperation is in the national interest, promoting welfare and economic recovery while reducing counterproductive political strife, the spokesman said.

"The time has passed when the ruling party monopolized the management and operation of state affairs," Yi quoted No as saying. But the two differed on the revision of the National Security Law and NSP law, with No insisting the framework of the security law not be rewritten and Kim demanding a basic overhaul. Kim told reporters after the lengthy meeting that there was a wide gap between them on the revision of the two laws and labor laws, which the opposition parties also want revised.

Kim also said No told him that he would positively consider allowing South Koreans to watch North Korean TV and listen to North Korean radio, as was suggested by the opposition leader.

No's spokesman said, however, that parts of the law that are regarded as obstacles to promoting inter-Korean dialogue, cooperation and exchange may be partially rewritten.

The No-Kim meeting was the first of a series of private talks No plans with opposition leaders. He is to meet with Kim Yong-sam on Friday and Kim Chong-pil on Saturday.

Kim said contacts with the North, if realized, would be "a new opportunity for change." Kim said he and No deeply debated political realignment, which became the top political issue when the liquidation problem was pronounced over with Chon's yearend testimony, but he could not make public the contents of that discussion.

North Suspected of Trying 'To Cause Trouble'

SK1101094690 Seoul YONHAP in English 0930 GMT 11 Jan 90

[Text] Seoul, Jan. 11 (YONHAP)—South Korea formally refused Thursday to hold a working-level contact with North Korea to discuss the North's plan to send two messengers to Seoul.

Prime Minister Kang Yong-hun, in a hot-line message to his North Korean counterpart, Yon Hyong-muk, said, "it is an established institution between our two sides to exchange letters through Panmunjom. It is desirable to maintain that good institution rather than having a separate working-level contact to discuss the means of conveying letters."

North Korea proposed meeting at Panmunjom to discuss its plan for two messengers to deliver letters concerning North Korean leader Kim Il-song's proposal for a high-level inter-Korean meeting to officials in South Korea.

Kang said the government would send two liaison officials to Panmunjom on Saturday to receive the letters.

In a New Year's speech, Kim proposed a meeting of high-level authorities, heads of political parties and social organizations from South and North Korea. Seoul suspects that Kim intends to cause trouble for the government's policy of unifying the channels of inter-Korean dialogue.

Daily Says North Must Seek Dialogue With South

SK1101022890 Seoul THE KOREA TIMES in English 11 Jan 90 p 6

[Editorial: "New Call for Inter-Korea Exchanges"]

[Text] President No Tae-u yesterday disclosed a positive, forward-looking vision that included substantial improvement of inter-Korean relations during his New Year press conference. In his policy statement, he maintained that the two parts of Korea should together open an era of national unification through dialogue, exchanges and cooperation based on mutual trust. Recalling his earlier speeches including the one before the United Nations General Assembly in particular, the Chief Executive emphasized that South and North Korea must form a single community by dismantling the dividing barriers to allow free inter-Korea travel and to open political, economic, civic and cultural fields to each other.

In this connection, No said he welcomes top North Korean leader Kim Il-song's proposal on New Year's day for free travel and total opening between the two parts of Korea, even though preconditions which were hard to understand were attached to it. The preconditions the North Korean leader put forth were to remove a nonexistent concrete wall south of the border dividing the South and the North.

It is right for No to have reaffirmed his conviction that a South-North summit should be held at the earliest possible date to resolve all knotty issues central to national integration, through talks especially at the highest level between the authorities of the South and the North.

Particularly noteworthy in his statement are realistic proposals to first implement exchanges of correspondence and telephone calls, and free home visits by dispersed relatives, especially those aged 60 and older, if time is needed for completely free travel and full opening. To this end, Pyongyang is urged to show earnestness toward resolving these issues, positively

responding to the Seoul bid to conclude an inter-Korean travel and communication agreement as No stated this time.

As for practical ways to improve inter-Korean relations, No said the South is ready to embark on joint development projects, including the development of Mt. Kumgang (Diamond) in the North, and to continue to pursue merchandise trade among other things to form an economic community with the North.

To demonstrate our sincerity toward inter-Korean dialogue and easing tension on the Korean peninsula, South Korea and the United States have agreed to reduce the scale of this year's joint military exercises, Team Spirit '90. No noted that we are inviting North Korea, China and the four member countries of the Neutral Nations Supervisory Commission to the truce village of Panmunjom, namely Sweden, Switzerland, Czechoslovakia and Poland, to send observers to Team Spirit '90 to verify the defensive character of the exercises.

The reduction of the scale of the coming Team Spirit is expected to have an affirmative impact on inter-Korean dialogue as Pyongyang has continually taken issue with the military drill, while keeping mum on its own military maneuvers.

With the presidential overture this time, our government has presented most of the realistic and practical proposals in a sincere effort to improve inter-Korean relations, now that the division of our land is about to become a half century old, indeed a terrible tragedy for all Koreans, a homogeneous people.

The success of the proposed improvement of inter-Korean relations is now up to Pyongyang and whether it will positively respond to the Seoul offer or not. North Korea is urged in earnest to live up to its leader Kim's New Year message calling for free travel and total opening of exchanges between the two parts of Korea, if his call is really not merely an empty and deceptive phrase.

We once again emphasize that the North Korean authorities need to take a step forward to improve inter-Korean relations by seeking practical ways to that end through dialogue with the South, taking a precious lesson from the recent breakup of the Berlin Wall between East and West Germany.

More Comment on Kim Il-song New Year Proposal

SK0301072690 Seoul YONHAP in English 0621 GMT 3 Jan 90

[Text] Seoul, Jan. 3 (YONHAP)—A senior South Korean official Wednesday brushed aside North Korean President Kim Il-song's proposal for a high-level inter-Korean conference as a scheme to avoid a summit with President No Tae-u.

Kim, in a New Year's message released Monday, proposed a "North-South, top-level conference in which heads of the authorities and the leaders of political parties take part in order to remove the barrier of national division and materialize free travel."

"Although the proposal gives the impression of accepting the South Korea-proposed summit by mentioning heads of authorities', it is actually a rehash of an old proposal for a political conference and an attempt to avoid a summit," said the official at the National Unification Board, speaking on condition of anonymity.

Commenting on Kim's message, he said it casts a pall on South-North Korean relations because it reveals a hardened position of continuing to maintain a "counteractive attitude" despite the dramatic changes in many East European nations.

South Asks IIHF About North's Participation

SK0601020390 Seoul THE KOREA TIMES in English 6 Jan 90 p 12

[Text] Seoul (YONHAP)—South Korea asked the International Ice Hockey Federation (IIHF) Friday to confirm if two North Koreans will attend a referee clinic in Seoul Feb. 3-8.

It is the third time the Korea Amateur Ice Hockey Association (KAIHA) has wired IIHF for news on the unprecedented entry of referees from the Communist North.

IIHF last week recommended 20 referees from eight countries to participate in the clinic for the 8th annual Asia-Oceania Junior Ice Hockey Championship next month and included two North Koreans: Chang Taehyok and Yi Chang-sik.

KAIHA reported to the Sports Ministry and is preparing for the possible entry of Yi and Chang.

Though North Korea is unlikely to participate in tournament, its referees may join the clinic.

New Election Schedule Sought by Ruling Party

SK0501034690 Seoul YONHAP in English 0156 GMT 5 Jan 90

[Text] Seoul, Jan. 5 (YONHAP)—South Korea's ruling camp wants to reschedule a series of elections due during the next three years out of a concern that they could adversely affect to the already weakening economy, a highly placed political source said Friday.

"The ruling party and the government are seeking ways to prevent national power from being wasted on the scheduled successive elections, and the simultaneous holding of the general and local elections is being considered," said the source, who asked not to be identified.

Elections for mayors and provincial governors are roughly sheduled for the first half of 1991, the general election slated for early 1992 and the presidential election set for by the end of 1992. The ruling camp fears

holding three major elections between 1991 and 1992 could play havoc with the economy and so it will seek to open talks with the opposition on changing the schedule, according to the source.

The source said the ruling camp hopes to hold the local elections together with the general election in May 1992. The timing of the elections for local government heads and for councillors, due by the end of June, was decided by an agreement between the ruling and opposition camps.

Local autonomy was discarded nearly three decades ago in Korea, following a coup by then Army General Pak Chong-hui in 1961, and there is concern the expected hectic atmosphere of the campaigns will weigh heavily on the economy.

* TK Group Makes Plans To Retain Power

902C0021 Seoul MAL in Korean No 40, Oct 89 pp 15-20

[Article by Kwak Pyong-chan: "The TK's Blueprint for the Seventh Republic"]

[Text] **Yi Chong-chan's Challenge**

An invisible move by the ruling camp to restructure the existing multiparty system and introduce the parliamentary cabinet form of government is gradually taking shape. During his visit to Manila in August 1988, then DJP [Democratic Justice Party] Chairman Yun Kil-chung spoke about the need to push for a revision of the Constitution to provide for the cabinet form of government and abut the need to form a coalition, and subsequently in July in Ottawa, incumbent DJP Chairman Pak Chun-kyu expressed his idea of restructuring the present multiparty system and revising the Constitution to introduce the cabinet form of government. On each occasion, the Blue House strongly denied any such plan. Since then this issue has been brought up on several occasions, but for the present the controversy has died down. Nevertheless, no one denies that the idea in question has been established as the backbone of the ruling camp's basic political strategy for the future. The stir aroused by then DJP Secretary General Yi Chong-chan's remarks in late August over this issue touched off a fierce strife within the DJP, but despite this furor the idea of restructuring the present multiparty alignment presupposing a revision of the Constitution to provide for the cabinet form of government is becoming an established fact. It is speculated among political circles that with the forthcoming regular session of the National Assembly as a momentum, concrete details of political restructuring will come to light one by one. According to this speculation, the TK force hailing from the Taegu-Kyongbuk area will seek to secure themselves a stable and long-term foundation for remaining in power through political restructuring and the introduction of the cabinet form of government. Essentially, this idea is the same in substance as the very idea of revising the Constitution to provide for a cabinet form of government that ultimately led to the fall of the Fifth Republic in 1986. The only difference is that this time some political parties and politicians are favorably responding to this idea of the ruling camp for the purpose of sharing power through "collaboration" with the powers that be.

In order to understand, in concrete terms, the idea of the ruling camp about revising the Constitution, we need to review the process of the feud that developed between then Secretary General Yi Chong-chan and the TK forces over this idea in late August, the feud which assumed the intensity of an acute conflict. This is because in this process the TK group unwittingly revealed that the idea of introducing the cabinet form of government is an established fact.

At that time, Yi Chong-chan declared that the idea of political restructuring and the cabinet form of government was premature in view of the state of intraparty democracy, thus throwing cold water upon the TK forces's plan for perpetual monopoly of power. With regard to political restructuring, he said that "this is an area in which we should proceed naturally while observing the desire of the people and changes on the part of opposition parties. If we should give the impression that we are colluding with the opposition parties, it would only arouse suspicions as to the morality of our intention. The cabinet form of government and political restructuring, being in a functional relationship with each other, the DJP should not take the initiative but wait." He meant to say that if political restructuring is arbitrarily pushed forward on the assumption that the cabinet form of government will be introduced, the DJP—putting the opposition parties aside—will draw from the public the same criticism that it drew in 1986, the criticism that political restructuring is nothing but a "ruse for staying in power for a long period."

Yi Chong-chan did not clearly express his objection. But as far as the substance of his remarks is concerned, he openly revealed his negative stand toward the basic framework of the idea that has been promoted by the nuclear forces of the ruling camp, including the TK group. He further called for intraparty democracy ahead of any political restructuring. He said: "There have been no significant change in the operation of the party either before or after the 29 June proclamation.... When the DJP through its intraparty democracy gives a sobering shock to the opposition parties which are centered around particular personages and particular regions, it will be able to induce change in opposition parties in a natural way and itself proceed with promoting political restructuring through natural organic combination on the basis of sharing the same ideals."

Why Yi Chong-chan, TK Group Are Feuding?

The TK side countered by mounting an offensive against the portion of Yi Chong-chan's remarks dealing with intraparty democracy while leaving for some other time its refutation of the core of his argument, namely, the

contention that a revision of the Constitution to provide for the cabinet form of government and a restructuring of the present multiparty alignment is premature. The TK side claimed that even if a system of choosing major party posts by competition, as demanded by former Secretary General Yi Chong-chan, were adopted it would not be conducive to establishing intraparty democracy and that since the 29 June proclamation, a great deal of intraparty democracy has been achieved in the operation of the party. On the basis of this rationale, the TK group branded Yi Chong-chan as a person attempting to undermine the party through promotion of factionalism. The TK group banded together the personages belonging to the nonmainstream who are tacitly opposed to its perpetual monopoly power and classified them into a fabricated, nonexistent faction, "the so-called Seoul-Kyonggi (SK) force," in an attempt to hold them in check under the pretext of preventing intraparty disunity. In the end party President No Tae-u, who is in fact the head of the TK force, issued the instruction that no one should give voice to any words which would indicate internal disunity, and he carried out the 30 August party-government reshuffle featuring the replacement of Yi Chong-chan, who had been regarded as the symbol of the anti-TK force when he was party secretary general.

The contention of former Secretary General Yi was partly based on what would best serve his own interests. The first premise is that the TK force is promoting the idea of political restructuring and a revision of the Constitution to provide for the cabinet form of government as a means of securing a perpetual monopoly of power. The second premise is that accordingly, the party should shift its mode of operation into one of channeling opinions upward from the bottom and devise a means by which an opportunity to share party power will be guaranteed to the broad segment of the nonmainstream hitherto excluded from power, so that a check may be put on the phenomenon of the TK force monopolizing power. These premises lead straight to the demand that in choosing the next successor to power, a system of free competition be introduced, doing away with the practice to which those at the center of power have hitherto adhered and will continue to cling to—a practice similar to that of "investing the heir apparent with the crown" in old days—and this demand cannot but be viewed as an undercover feud over the question of the successor. In his controversial 23 September remarks at the Tosan Academy, former Secretary General Yi characterized the DJP, not to mention the PPD [Party for Peace and Democracy], the RDP [Reunitication Democratic Party], and the NDRP [New Democratic Republican Party], as a pre-modern "regional party" and aired his disgust toward the monopoly of power by the TK group within the ruling camp, and the system of exclusion of non-TK personages from power.

Yi Chong-chan's remarks also contained the implicit warning that in promoting political restructuring the TK force is seeking to exclude the original forces of the DJP, most of whom belong to the nonmainstream, by pushing ahead with a partnership between the old and the new republican parties [DRP and NDRP]. In other words, in his opinion, the TK force seeks to proceed with political restructuring in the form of achieving a partnership between the DJP and the NDRP, with the key TK figures such as Pak Chun-kyu, Kim Yun-hwan, and Pak Chol-on, most of whom belonged to the old DRP, at the center, and absorbing part of the RDP. Also underlying Yi Chong-chan's remarks is a caution against the contention by some figures of the TK force that when this restructuring idea encounters fierce opposition from the original members of the DJP, the TK force should go to the extent of forming a new party by "disbanding and regrouping" the existing parties, in order to establish a system which will insure the TK force the perpetual monopoly of power. Referring to this issue in an interview which was held following his removal from his post, Yi Chong-chan said: "In order to keep in step with the tide of reform in the whole society, the DJP should return to its founding spirit, although this spirit was deflected and distorted very much under the dictatorship of the Fifth Republic." In other words, on the surface Yi Chong-chan repeated his demand for party reform, but in substance his remarks contained a substantive implied demand that the DJP's current system of "rolling rocks dislodging the entrenched rocks," as well as the personal ties of its key figures and the despotism of the newcomers led by Chairman Pak Chun-kyu, be checked or removed outright. Incidentally, Chairman Pak reportedly keeps in touch with Transportation Minister Kim Chang-kun hailing from the TK area and has personal ties with the old DRP forces including Assemblyman Ku Cha-chun, and Choe Chae-ku (a NDRP member), and also maintains special relations with Prime Minister Sin Hyon-hwak and former DRP Chairman Paek Nam-ok. He seeks their broad counsel on the issue of political restructuring, including the direction that political restructuring should take, discussing with them matters regarding the line of achieving a partnership with the NDRP or the RDP and the details of political restructuring.

Using the LDP as a Model

Behind the move by those at the core of the ruling camp to arbitrarily push ahead with political restructuring presupposing the introduction of the cabinet form of government through a revision of the Constitution in spite of the dire internal feud that ensued, there were these factors: the pessimistic prospect that it would be as difficult for the DJP to attain a majority in the 14th general election as it was in the previous election; the question of how to secure a firm political turf after President No Tae-u retires; and the lack of a popular star within the TK force who would qualify as the next presidential candidate. It was the assumption of the TK force that if a revision of the Constitution to provide for the cabinet form of government is carried out during the current term of the presidency, the president would be able to secure a stable majority in the National Assembly through political restructuring and maintain his political

turf as the president of his party, and the TK force would thus be able to continue to hold the supreme power in its hand through the sharing of powers with other political groups. In addition, NDRP President Kim Chong-pil early on placed in the hand of the ruling camp a compass to steer it toward political restructuring and the introduction of the cabinet form of government through a revision of the Constitution, thus inspiring a sense of self-confidence in the ruling camp with regard to its political strategy for the future. It is also the assumption of the ruling camp that PPD President Kim Tae-chung and RDP President Kim Yong-sam would concede quite naturally to the demand for the introduction of the cabinet form of government through a revision of the Constitution because they also would think that chances are slim that either of them would poll enough votes in the 14th general election (in 1992) and the 13th presidential election (in 1993) to insure him the reins of government after President No. With this assumptions, the ruling camp was convinced all the more that the cabinet form of government was attainable.

Against this background, since his Ottawa remarks, Chairman Pak has continually dwelt on the necessity of the "idea of restructuring" despite the formal denial by the Blue House. The following is the timetable he has revealed for proceeding with his idea of restructuring:

- Links of issue-by-issue political collation will be strengthened in the regular session of the National Assembly.
- During the election of assemblies of local public entities expected to be held in the first half of 1990, the foundation of a political coalition with other groups will be laid by cooperating with these groups in the election. Subsequently, a particular political group or groups will be induced to take part in the cabinet in order to achieve a political coalition.
- In consideration of the negotiations on the election laws which are scheduled to proceed at full steam beginning in the latter half of 1990, an atmosphere favorable to a revision of the Constitution to provide for the cabinet form of government will be created in a natural manner, and change in the power structure will be completed about the time of the 1992 general election. Reportedly, there is another schedule which calls for the completion of political restructuring by the end of 1991, that is, before the general election, because a two-thirds majority is required for the passage of the motion for a revision of the Constitution, although introduction of such a motion can be made by a simple majority.

At the end of last month, Chairman Pak Chun-kyu said that he would shift the weight in the operation of the party to the party caucus, thus indicating that he would seek to revamp the party structure in preparation for the cabinet form of government and political restructuring. What he meant is that the DJP will change its structure on the pattern of the Japanese Liberal Democratic Party [LDP] so that when political restructuring is undertaken, it will give some shares of power to the leaders of the other partners in the coalition. In the case of the LDP, competition for party power is permitted on a limited scale by assigning each boss of the three or four intra-party factions his share of power equivalent to the vice chairmanship of the party, such as the post of the floor leader, the party secretary general, or the chairmanship of the political research affairs committee. Chairman Pak would seek to revamp its structure in a similar way.

Various Patterns of Interparty Coalition

Under this scheme, reportedly the ruling camp has until now secretly approached the NDRP and RDP to promote a coalition, with Hong Song-chol, secretary general of the Blue House, and DJP Chairman Pak contacting the NDRP and former Floor Leader Kim Yun-hwan and Minister of State Pak Chol-on contacting the DRP. After former Floor Leader Kim receded from the forefront of politics as a result of the 30 August reshuffle, the responsibility for "operations" directed at the RDP is said to have fallen on Pak Chol-on.

Reportedly, in the plan for a coalition with the RDP and the NDRP, the coalition with the RDP is viewed as the main line and that with the NDRP as an auxiliary line. It has been confirmed that the DJP sent "feelers" openly to the NDRP and through undercover channels at various levels to the RDP. According to plausible rumors circulating, the suggestion is afloat that in the case of the RDP, inasmuch as its President Kim Yong-sam has not abandoned his intent desire for the presidency, that post be given to him under the parliamentary cabinet form of government. That the ruling camp regards a coalition with the RDP as the main line of coalition is based on the judgment that if a DJP-NDRP coalition were to be the main line, this coalition would not only be unable to obtain enough votes in the National Assembly necessary for the passage of a revision of the Constitution but also be bound to invite the criticism that it is nothing but a combination of the new and old Republican Parties and therefore signifies a reversion to the Yusin system. Even in the case of a DJP-RDP-NDRP coalition, it will have the side effect of drawing the criticism that it is a union of forces from areas outside the Honam area and is bound to aggravate regionalism. However, this DJP-RDP-NDRP coalition can be justified as a trend of conglomeration among the conservative forces as demonstrated in the by-election in Yongdungpo-B Constituency. Moreover, inasmuch as the future political strategy of the core force of the ruling camp leans toward the idea that political restructuring presupposing the introduction of the cabinet form of government through a revision of the Constitution should be the DJP's political strategy for the future, the only realistic alternative to implement this strategy under the current circumstances where the PPD rejects a coalition is through a collation with the RDP and the NDRP.

Nevertheless, the ruling camp is troubled by the fact that all the would-be partners of the coalition are showing a strong repulsion to the DJP occupying the center of the stage in the process of political restructuring. For this

reason, among the forces promoting political restructuring, some aides to Minister of State Pak demand that to push political restructuring more securely while making it sound more convincing to the public, the leading body in the promotion of the coalition should free itself from the "bounds of the DJP." This demand, which implies the dissolution of the DJP, has gathered momentum with the increased psychological apathy toward the TK force and with the mounting of the voices opposing the perpetual monopoly of power by the TK force particularly among the nonmainstream of the DJP since the stir aroused by former Secretary General Yi. They argue that freedom from the "bounds of the DJP" will give politicians a free hand in the settlement of issues involving the Fifth Republic, the issues which must be settled as a precondition for the restructuring, and will lead to a new pattern of conservatives vs reformists rivalry and even make it possible to "disband and regroup" political parties in the name of founding a new conservative party, transcending the existing four-party system. They also argue that if the three Kims, the three party presidents who form the backbone of the four-party system, are made to retire from the forefront of politics, change in the four-party system will be expedited in political restructuring, and there is hope that NDRP President Kim will play a prominent role in this process. In this connection, in a recent press conference, NDRP President Kim made mention of his "serious determination," and this remark has aroused interest among political circles, and some observers have very hastily interpreted that his meaning was "in linking his own retirement to that of Presidents Kim Tae-chung and Kim Yong-sam, he intends to remove these two other Kims from the forefront."

Chairman Pak Chae-kyu's Self-Confidence

It is too early to predict the feasibility of these diverse ideas and scenarios because they are either nothing more than plans in the minds of those at the core of the ruling camp or exist only at a level of implicit understanding among particular political factions or personages. But the forces pushing these ideas are showing a considerable confidence in political restructuring presupposing the introduction of the cabinet form of government through a revision of the Constitution. Their self-confidence has become further strengthened since the influence of the RDP and the NDRP, the targets for coalition, has waned conspicuously, and the centrist forces desirous of stability has showed a tendency toward joining forces in the form of opposition to the PPD in the by-election in the Yongdunpo B electoral district. On 22 September, immediately after the by-election in that electoral district, Chairman Pak said, "the political prospect that the four-party system will continue to exist in the future has now changed. The outcome of the by-election in the Yongdungpo B electoral district was the people's judgment of the four-party system," and magniloquently said that political restructuring will proceed naturally. Sources at the core of the ruling camp even said that "the time of the presidential form of government is over," asserting that "political restructuring accompanied by the introduction of the cabinet form of government through a revision of the Constitution is a firm determination of President No." In the case of the RDP, its assemblymen from the central part of the country are considerably disturbed by its miserable defeat in the by-election in Yongdungpo B Constituency. In the case of the NDRP, even its assemblymen from South Chungchong Province, the bastion of the party, have begun to be skeptical about the party's performance in the forthcoming 14th general election, and some of them want the NDRP to be absorbed into the DJP in such a way as to protect the vested interests of NDRP assemblymen, if a one-on-one DJP-NDRP merger is not practicable. Thus the mood of these assemblymen is making the forces pressing for political restructuring happy. As a matter of fact, certain assemblymen, Yi and Kim, from South Chungchong Province are said to be sounding out the DJP on ways for them to join it in return for an assurance that they can keep their present constituencies.

As if reflecting this mood, DJP Chairman Pak on 14 September haughtily said that the opposition camp should make up their minds by next year on both the issues of revising the Constitution and political restructuring." This marked a striking contrast with his past posture of burning the candles at both ends trying to drive home the rationale of political restructuring almost by begging. His tone was that "we want for nothing, therefore opposition parties should take the lead if they are hard up." However, this does not mean that he has reversed himself and shifted to the opinion of former Secretary General Yi, who rejected the idea of the TK group, including Chairman Pak, about the cabinet form of government and political restructuring, calling it premature. This is because in the case of former Secretary General Yi, he attempted to block the move for a revision of the Constitution to provide for the cabinet form of government, which holds the key to political restructuring, under the pretext that such a revision is premature, whereas in the case of Chairman Pak, he revealed his desire to occupy an advantageous position in negotiations on political restructuring by making the best use of the momentum generated by the DJP victory in Yongdungpo B Constituency and the uneasiness among the opposition parties and did not intend to retract his basic idea.

Skepticism in the DJP About Political Restructuring

However, it is a fact that as far as the ruling camp as a whole is concerned, there is more skepticism than confidence with regard to the idea of the cabinet form of government and political restructuring.

First, the skeptics point out the opposition within the party. According to them, as is evident from the former secretary general's opposition and the sympathy shown him by broad segments of the party, the feeling of being rejected by the TK group, and that there would be

impending disadvantages for the nonmainstream personages will operate as a brake on the idea in question. The idea designed to perpetuate the TK group's monopoly of party power cannot but be opposed for various reasons—in the case of those chairmen of local party chapters, who are not National Assembly members and who account for a majority of the party, there is the fear that they could be deprived of their regional posts; in the case of other groups in the DJP, there is the fear that they could find themselves forever excluded from party power; and in the case of those incumbent assemblymen hailing from the central part of the country, there is the fear that their opportunity to participate in the exercise of party power could be curtailed. Even among the TK force there is a group which is opposed to political restructuring aimed at revising the Constitution to provide for the cabinet form of government and to unite non-Honam forces. In the case of Assemblyman Chong Ho-yong, who has a considerable share of power inside the TK force, he is dead set against a union of non-Honam forces because such a union would only mean the continuance of the Kwangju issue and an amplification of the opposition offensive against him. In the case of Kim Pok-tong, who is a relative of President No and who has considerable influence on the TK force, he is categorically opposed to the idea of a cabinet form of government out of his conviction that the presidential form of government is best.

Second, the issues related to cleaning up the mess of the Fifth Republic, such as the Kwangju issue and the issue of abolishing or revising evil antidemocratic laws, must be settled before opposition parties agree to a coalition with the ruling party, but the skeptics are in doubt as to whether these issues will be settled satisfactorily enough to give opposition parties a free hand in making their political decisions. NDRP President Kim Chong-pil will pose no problem because he has remained closely aligned with the DJP. But it is questionable whether the RDP will be satisfied with "the next best alternative." Early on the RDP had shifted its position in favor of the next best alternative, but after its miserable defeat in the by-election in Yongdungpo B Constituency, it returned to its original principle, repeating its demands that Chong Ho-yong and other key figures relinquish their public offices, that the ex-presidents testify before the National Assembly, and that the National Security Law and other evil laws be radically revised. This shift in position on the part of the RDP is putting the ruling camp into a predicament. The ruling camp is passive about all these proposed settlements to the issues involving the cleaning up the mess of the Fifth Republic and wishes to wind up the political discussion of these issues where they stand now. Unless these issues are settled satisfactorily, the plan for the so-called grand conservative union and for political restructuring, professedly aimed at stabilizing the current political situation under a mechanism of rivalry between conservatives and reformists, would not sound convincing, and it is certain that the pattern of confrontation between democracy and anti-democracy would continue and the scope of maneuverability of opposition parties in moving toward political restructuring would be drastically narrowed. As a consequence, the skeptics say, the ruling camp would find it difficult to achieve their goals.

Third, the skeptics point out that it would be difficult to justify a revision of the Constitution to provide for the cabinet form of government, whatever its rationale may be. With regard to the "elimination of regionalism," which could be the first and foremost rationale, it is self-evident that if the ruling camp should promote political restructuring in the form of a union of non-Honam forces, it would only aggravate regionalism instead of eliminating it. Another rationale, namely, the changing of the political structure to a mechanism of rivalry between conservatives and reformists, would hardly be convincing should the work of cleaning up the mess of the Fifth Republic, including the abolition or revision of evil anti-democratic laws, remain unfinished. Moreover, the move for a revision of the Constitution to introduce the cabinet form of government is apt to be criticized as an attempt to maintain the current system of one No and three Kims on a stable basis and as an obstructive maneuver to block political metabolism because it would only strengthen and stabilize the vested interests of existing political groups.

Fourth, the skeptics are in doubt as to whether the political groupings which are marked as would-be partners of a coalition will behave as the ruling camp wants them to. In the case of the RDP, the primary would-be partner, its feeling toward the ruling camp has recently deteriorated so extremely over Assemblyman Pak Chae-kyu's case that there is little chance that it will cooperate with the ruling party in settling the issue of cleaning up the mess of the Fifth Republic, the settlement of which is the first step on the road to political restructuring, and chances are rather high that the RDP will continue to torment the ruling camp.

Even if the RDP should agree to a coalition, its position regarding the timing of restructuring is markedly different from that of the ruling camp. As pointed out by Chairman Pak, the ruling camp's position is that political restructuring should be completed before the 14th general election scheduled for the first half of 1992, whereas the RDP and the NDRP take the stand that concrete plans for restructuring should be worked out after the 14th general election. The two sides have interests conflicting with each other. In other words, the ruling camp's position is that the phenomenon of the lame duck president is expected to appear within the ruling party, with President No's leadership ability expected to markedly weaken, when the 14th general election is over, therefore political restructuring and other tasks should be completed before the general election. On the contrary, the other parties want to put off political restructuring until after the general election so that they may hold an advantageous position in negotiations for restructuring. For this reason, the general view is that it will be difficult to realize even political cooperation in the election of local assemblies—

which the ruling camp hopes will lay the ground work for political restructuring—in the form of putting up joint candidates.

Political Restructuring Depends on Outcome of 14th General Election

By all accounts, the mood of political circles within the establishment for political restructuring is considerably ripe, but it seems unlikely that political restructuring will move in the direction of insuring the TK forces its perpetual monopoly of power as sought by the core force of the ruling camp. Supposing some opposition parties are inclined to political restructuring and the introduction of the cabinet form of government through a revision of the Constitution, they would withhold their inclination until after the 14th general election. Accordingly, the prevailing view is that chances are high that depending on the outcome of the 14th general election, there will be a radical change in the current four-party system, and that on the basis of this change, efforts for restructuring and the results thereof will become visible. However, in the case of the NDRP, due to the uneasiness on the part of its assemblymen, chances are good that it will be merged into the DJP, even before the general election.

When all is said and done, the intention of the ruling camp is what should be watched closely in connection with the idea of restructuring the political system and revising the Constitution to provide for the cabinet form of government. This is because whether or not this idea is realized in the direction and according to the schedule intended by the ruling camp, there is no change in the determination of the TK force to preserve its heir-to-heir monopoly of power and various efforts will be made to this end.

Leading Dissidents Demand Arrest of Chon

SK0801080790 Seoul YONHAP in English 0605 GMT 8 Jan 90

[Text] Seoul, Jan. 8 (YONHAP)—Seventy leading dissidents began a sit-in protest Monday in a borrowed office to demand the arrest of former president Chon Tu-hwan and resumption of a probe into his "misdeeds."

"Unilateral ending of liquidation of the Fifth Republic (Chon government) legacies by the leaders of the four political parties, ignoring the people's cries for democratization, is hereby nullified," declared the leaders of six dissident groups in a joint news conference.

Chon should be held for questioning, while president No Tae-u must submit to a vote of confidence and the two opposition parties—Kim Tae-chung's Party for Peace and Democracy and Kim Yong-sam's Reunification Democratic Party—must stop cooperating with the ruling party, they demanded.

They said their groups will collect signatures and hold street rallies across the country on Saturday to drum up support. On Sunday, the groups will hold a rally at Myongdong Cathedral in the center of Seoul to call for president No Tae-u's stepdown.

Poll Shows Dissatisfaction Over Chon Testimony

SK0601054590 Seoul YONHAP in English 0521 GMT 6 Jan 90

[Text] Seoul, Jan. 6 (YONHAP)—A vast majority of South Koreans are unhappy with former president Chon Tu-hwan's testimony before the National Assembly on Dec. 31, but doubt the worth of further debate over the liquidation of bad legacies of the Chon government, a Korea Research Center poll has found.

Only 14 percent of the 1,000 adults surveyed said Chon's nationally televised testimony was acceptable, while 79 percent replied it was unacceptable. Two in three complained about the lawmakers who jeered and shouted at Chon for "lying" and "being insincere," crippling the hearing, which should have been an opportunity to listen to Chon's full account of alleged corruption and the 1980 bloody crushing of pro-democracy demonstrations in Kwangju. Discontent rate ran up to 93 percent among university students and people in Kwangju and neighboring South Cholla Province.

The poll was conducted Wednesday and Thursday [4-5 Jan] by telephone across the nation at the request of the Information Ministry. The survey also found 66 percent hoped there would be no more debate over the legacies for fear of draining political energy and hampering the progress of the nation.

Forty-three percent of the respondents cited political instability as the major reason for the sluggish national economy with 31 percent and 19 percent blaming labor disputes and failed economic policies, respectively.

The top priority for the government in 1990 should be economic recovery for 52 percent of those polled, while 31 percent mentioned crimeless society as the top government priority.

The responses were mixed on the prospects for political stability this year, 45 percent were optimistic and 43 percent pessimistic.

Prosecution To Handle Complaint Against Choe

SK0501015490 Seoul THE KOREA TIMES in English 5 Jan 90 p 3

[Text] The criminal complaint brought against former President Choe Kyu-ha by a special parliamentary committee will be handled by the Seoul District Prosecutor's Office, prosecutor's said yesterday.
The complaint was filed with the Prosecutor General's Office Dec. 31 by the Special Parliamentary Panel on the Kwangju Incident which is headed by Rep. Mun Tong-hwan of the largest opposition Party for Peace and Democracy.

Mun claimed in the complaint that Choe deserves criminal punishment because he showed contempt for the Assembly by rejecting several requests by the panel to testify about the volatile political situation following the assassination of President Pak Chong-hui in October 1979.

The current law governing parliamentary testimony stipulates that violators, if convicted, face up to five years in prison and 5 million won in fines.

The prosecution is supposed to conclude investigation of complaints filed by the legislature within two months. However, it remains to be seen whether the probe will be conducted within the period because several complaints brought by the Assembly in the past were not settled within the period in part because there exists no penalty for those failing to meet the two-month deadline.

Attorneys for Yim, Mun Withdraw in Protest

SK0801083790 Seoul YONHAP in English 0714 GMT 8 Jan 90

[Text] Seoul, Jan. 8 (YONHAP)—Lawyers acting for a radical student and an activist clergyman charged with visiting North Korea stalked out of the courtroom in the middle of the proceedings Monday to protest a limit on spectators.

The trial of Yim Su-kyong and the Rev. Mun Kyu-hyon was halted about 30 minutes into the fifth session at Seoul district criminal court after the lawyers lodged a strong protest against the limit on the number of spectators and then walked out.

The judges had finished questioning the defendants but canceled the cross examination because of the absence of the lawyers and family members, who refused to attend the trial for the same reason. The court issued only 30 admission tickets, apparently to prevent disturbances during the trial, and the defense lawyers charged it was a breach of the open trial guaranteed by law.

The lawyers decided to resign after the judges questioned their clients in their absence and the trial is expected to resume with a court-appointed defense counsel.

Yim and Mun entered North Korea without government permission last year and were arrested immediately upon their return through the truce village of Panmunjom. Yim attended a world youth festival hosted by Pyongyang and the Rev. Mun, a young Catholic priest, went to Pyongyang and excorted her back home.

The two, charged under the National Security Law, attempted to leave the courtroom Monday, but were restrained by bailiffs. Yim, a French major of a Seoul university, said, "I reject this trial because the bench has ignored the minimum legal process needed in a trial and I have seen the true picture of the judicial branch."

At the sixth session slated for Jan. 22, the judges will question two prosecution witnesses. There is no jury.

Signing of Convention Against Torture Considered

SK0901080490 Seoul YONHAP in English 0744 GMT 9 Jan 90

[Text] Seoul, Jan. 9 (YONHAP)—South Korean Government agencies are studying a plan to sign the International Convention against Torture this year, a move that would commit Korea to filing an annual report with the U.N. secretary-general on how the convention was being observed, a source said Tuesday.

Once Korea joins the convention, it will have to acknowledge the authority of the international committee on the convention, but it will provide momentum for Korea to win international recognition as a nation defending human rights, said the government official, who asked not to be identified.

"Signing the anti-torture convention means Korea announces itself as a nation with complete legislative, judicial and adm)nistrative institutions, and the government plans to send the plan to the National Assembly to obtain its approval during the first half of this year," he said.

Since the convention took effect in 1987, 41 countries, including the United States, have signed it. The government also plans to sign the agreement and optional protocol on civil and political rights this year and is considering signing a protocol on refugees.

The government sent a motion on acceding to another world human rights agreement, the International Human Rights covenant, to the assembly last October and is waiting for approval.

Security Agency To Set Up Monitoring Body

SK0501024690 Seoul THE KOREA HERALD in English 5 Jan 90 p 3

[Text] Agency for National Security Planning, in response to widespread criticism of its alleged human rights violation, has decided to set up a "watchdog" office to supervise investigations of security-related law offenders.

The installation of the investigation guidance office, scheduled for the middle of this month, is designed to prevent agents from abusing their power while interrogating suspects held on espionage and security charges.

According to the agency, a senior prosecutor will be in charge of the office and entitled to supervise investigation activities and set out guidelines.

It is the first open body of the agency, the successor of the "notorious" KCIA [Korean Central Intelligence Agency] which was widely criticized as a government tool to crack down on dissidents.

Education Ministry Looks to Reinstate Teachers

SK0501035490 Seoul YONHAP in English 0215 GMT 5 Jan 90

[Text] Seoul, Jan. 5 (OANA-YONHAP)—The government is looking for a way to reinstate some 1,516 teachers fired last year for joining the outlawed national teachers union, a senior official at the Education Ministry said Friday.

"The Education Ministry is making an effort to restore a considerable number of the 996 fired public school teachers who submitted petitions to the deliberation panel of the government Administration Ministry," said the official, who asked not to be identified. "The government's policy of not recognizing the union has not changed, but teachers who agree to leave the illegal union will be given back their jobs after we have taken some legal steps," he said.

First in line for rehabilitation are 300 teachers who are considered not to have had opportunities to plead for themselves when they were sacked by disciplinary panels held at the request of the ministry.

The outlawed teachers union said it is proper for the ministry to correct its hasty punishment by reappointing the teachers, but if rehabilitation is intended to undermine the union then union members will flatly reject it.

Of the 1,516 dismissed teachers, 170 were fired outright for their leading role in organizing the dissident union and 956 removed from their jobs. The mass firings last year shook the Korean school system to its roots because of the harsh punishment, but the ministry accused the union of attempting to overthrow the government.

The union says it wants "nationalistic, democratic and humane education," but the government says the outlawed organization really wants to spread the "socialistic thinking" of radical teachers.

Koreans Reunited Via Satelite Broadcast

SK0301031590 Seoul YONHAP in English 0257 GMT 3 Jan 90

[Text] Seoul, Jan. 3 (OANA-YONHAP)—Sons and mothers separated between South Korea and the Soviet Union came together for the first time in almost 50 years Tuesday night through the aid of satellite broadcasting.

Twenty-two Koreans, stranded on the Soviet far eastern island of Sakhalin since the Japanese used them as slave labor in World War II, were reunited with barely remembered relatives in South Korea in a live satellite hook-up between television studios in Seoul, Taegu and Sakhalin, where 500 families showed up.

With age, name and year of separation written with identifying details on placards hung around their necks, family members in Korea and the Soviet Union stared at television screens in search of long-lost kin as the announcers introduced the participants one by one.

A mother in her 90s, bursting into wild tears, cried, "Yes, here is your mother," as her dim eyes recognized in the voice of an old man the teenage son taken from her nearly 50 years before.

Some 43,000 Koreans, out of 150,000 conscripts taken to Sakhalin to build airfields and roads and dig coal, were abandoned when the Soviet Union occupied the territory at the end of war.

The live two-way link with the Soviet Union, under a direct broadcasting agreement between the TV and Radio Committee of Sakhalin and the Korea Broadcasting System (KBS), used two Soviet and one Western satellites.

Besides those families in the studios, others across the country phoned KBS, asking how to find lost relatives in Sakhalin. As of 11:15 p.m. Tuesday, there were 200 such telephone calls.

In order for relatives to see one another, the state-run network will receive requests by telephone for the next two weeks and play the go-between for reunions in collaboration with the Korean Red Cross and Sakhalin authorities.

Government To Seek UN Membership Next Fall

SK0201001190 Seoul CHOSON ILBO in Korean 31 Dec 89 p 1

[Text] It was reported on 30 December that the government has decided to submit an application for an admission into the United Nations during the next fall session of the UN General Assembly if circumstances warrant it. However, the final decision will depend on the development of the international situation.

A source in the government said: "Given the changes now taking place in the Soviet Union and East Europe at such rapid speed, the majority of the countries in East Europe will have established diplomatic relations with Korea in the first half of next year. The Soviet Union has emphasized the universal principle concerning Korea's entry into the United Nations. In addition, since the prospect for the normalization of relations between Korea and the Soviet Union during the second half of next year is bright, conditions for our country's entry into the United Nations will be more favorable than ever next fall."

Explaining that "the Soviet Union, one of the permanent members of the UN Security Council capable of exercising veto to Korea's admission into the United Nations, is expected to clarify its own stand on the issue by at least abstaining from voting or by not participating in the session called to discuss Korea's entry," the source in the government said: "What we are concerned about is what kind of attitude China will adopt toward the issue."

"Through various channels, official or unofficial, our government will try to persuade China to cooperate with

Korea either by staying away from voting or not participating in UN sessions discussing our country's application," said the source in the government.

Another official in the government said: "Our government will put across to China its clear stand that we will never oppose North Korea's entry into the United Nations if it intends to do so and we can, if necessary, help North Korea in getting itself admitted into the United Nations."

He went on: "Traditionally, China has rarely exercised its veto in the United Nations and it is highly likely that it will abstain from exercising its veto to Korea's entry into the United Nations if there is, in the international community, an atmosphere of absolute support for Korea's admission into the United States."

During the UN session last fall, 50 nations formally made it clear that they were in support of Korea's entry into the United Nations and both North and South are active in seven UN organizations handling specific affairs after simultaneously being admitted into the United Nations. This notwithstanding, North Korea has stubbornly refused to get admitted into the United Nations on the grounds that admission will make "two Koreas" an established fact and thereby perpetuate the division.

Seoul To Join GATT Procurement Code by March

SK0701095790 Seoul THE KOREA TIMES in English 7 Jan 90 p 8

[Text] The government plans to join the General Agreement on Tariffs and Trade (GATT) Government Procurement Code as a signatory member by March in a bid to ease U.S. trade pressure.

A high-ranking government official said yesterday that the government has already decided to open the state procurement market to foreigners on a restrictive basis.

The official said that the Trade-Industry Ministry and the Office of Supply have already launched the screening of institutions and items whose supply markets will be opened to foreigners.

When the screening is completed, the government will submit an application to GATT detailing the planned opening of the procuring institutions and items in March, the official said.

He said the institutions will include the Office of Supply, in charge of the government and state-invested firms' procurement programs, the Korea Telecommunication Authority [KTA] and the Korea Electric Power Corp.

The concessional items will include all goods except facilities to be procured by the Office of Supply (OSROK) with domestic funds, telecommunications equipment of the KTA and services.

The official said, however, the government will not open the markets for items produced by small and medium-industries, agricultural products, health-related commodities and defense-related goods such as weapons, even when the government signs the GATT's Government Procurement Code.

Foreigners will be able to get access to some 230 billion won of the total 1,600 billion won worth of goods based on 1989 figures. The procurement is made with local fund sources.

The opening ratio will be 15 percent of the total, compared to 72 percent for the United States, 46 percent for Japan and 45 percent for the European Community.

When the country becomes a member of the code, domestic businesses will also be able to participate in foreign bidding worth $400 million a year.

Korea becomes a signatory nation with the approval of 13 advanced countries including the United States and Japan.

Push for Cooperation With Socialist Countries

SK0701095990 Seoul THE KOREA TIMES in English 7 Jan 90 p 8

[Text] The International Private Economic Council of Korea (IPECK) plans to push vigorously for the establishment of bilateral economic cooperation committees with socialist countries on a private level.

The IPECK plan is in line with the government's recent decision to maintain IPECK as the sole outlet for promoting private economic cooperation with socialist countries.

Throughout last year, there has been controversy over which body would handle matters concerning economic cooperation with socialist countries among the various government agencies and economic organizations.

To this end, IPECK will make allout efforts to establish as many joint economic cooperation committees as possible between Korea and socialist countries within this year.

IPECK plans to set up economic cooperation committees with all Eastern European countries and further with China and Vietnam, if possible, an IPECK official said.

At present, Korea has bilateral economic cooperation committees with the Soviet Union and Hungary.

The official said Poland will become the first country in the New Year to establish such a committee with Korea.

The establishment of the Korea-Poland economic cooperation committee was agreed last November by IPECK and the Polish Chamber of Foreign Trade and more recently both sides agreed to establish the committee in March.

IPECK, in a bid to form joint economic cooperation committees with East Germany, Czechoslovakia, Yugoslavia, Bulgaria and Vietnam, completed setting up Korean-side committees in charge of those countries under its wing later last year.

An official said IPECK had already been engaged in working-level meetings with those countries to substantiate the formation of bilateral committees.

As part of such efforts, an IPECK mission, headed by IPECK Vice Chairman Whang In-chong, plans to tour four Eastern European countries—Bulgaria, Yugoslavia, East Germany and Czechoslovakia—around the middle of this month.

Government Seeks To Host ESCAP Session

SK0601020890 Seoul THE KOREA TIMES in English 6 Jan 90 p 8

[Text] South Korea is seeking to host the 47th general session of the United Nations Economic and Social Commission of Asia and Pacific (ESCAP) in March next year, a highly-placed government official said yesterday.
A final decision on the venue is expected to be made at the 46th general meeting of the ESCAP scheduled on March 19-28 in Bangkok, the official said.
The Korean Government has conveyed to the ESCAP secretariat based in Bangkok its willingness to host the meeting and received a positive response from the ESCAP, he said.
The government has contacted 48 ESCAP member countries to ask them to help Seoul host the session, according to the official.
"The hosting of the ESCAP meeting will help create a favorable circumstance for South Korea to improve relations with the Soviet Union and China, because the two Communist countries, along with the United States, Britain and France, are associated ESCAP members outside the region," he said.
The government hopes that North Korea, though it is not an ESCAP member, will join the organization and participate in the Seoul meeting, said the official, noting that the moves will help improve inter-Korean relations.
The ESCAP session will be the largest conference in Seoul sponsored by an international organization since the general meeting of the International Bank for Reconstruction and Development (IBRD) and the International Monetary Fund (IMF) in October 1985.
The ESCAP, formerly the Economic Commission for Asia and the Far East (ECAFE), was set up in 1947 to provide help for the reconstruction and rehabilitation in the region after World War II.
The ESCAFE was renamed ESCAP in 1974.

* Cho Sun, Economic Officials Criticized

902C0046A Seoul TONG-A ILBO in Korean 30 Oct 89 p 6

[Text] Following a drastic cabinet reorganization on the 5th of last December, Cho Sun's Economic Planning Board has met with increasing concern about its unstable planning and policy execution as it approaches its first anniversary.

A complacent economic outlook, passive policy decisions and execution of policy that seems to depend on "time and public opinion," plus failure to provide timely policy recommendations, all contributed to an inability to effectively solve economic difficulties.

Concerned with labor disputes and a weakened competitive edge in the export market, the expected economic outlook for this year of growth of 8 percent, a trade surplus of $9.5 billion, a consumer price increase of under 5 percent changec alarmingly in the first half of this year. Alarmed at this condition, the board announced the "Second-Half Comprehensive Economic Policy," with a reduced growth of 7.5 percent and trade surplus of $8 billion.

Up to that point, the board's economic picture was optimistic: "This is not the beginning of economic depression, but rather a temporary phenomenon that needs to be adjusted." However, now only 2 months away from the end of the year, critics contend that the board's economic analysis and outlook was too optimistic.

Seven percent economic growth could be possible, but the trade surplus is expected to hardly reach $6 billion, and consumer price increases have already exceeded 5 percent.

The economic board imputes the difficulties to worsened labor disputes, corporations' lack of motivation, and frustration in every sector of the economy. Critics also contend that too premature analysis of and prescriptions for economic realities could be harmful, but they point out that even more harmful is the continuous delay of planned economic actions.

Businesses, having perceived that the export outlook would become more bleak, attempted to bring authorities attention to the problem. Nonetheless, authorities merely delayed instituting long-term actions.

Although they decided to increase trade finance loan exchange to 500 won/dollar from 450 won, businesses complained that it was too late.

Critics also point out that government's attitude toward current complaints about taxation on fixed income and tax reduction on labor-earned income reflect government's inability to understand the core of problem.

The current complaints about fixed income taxation are not so much focused on the amount as the unfairness of taxation policy itself. The deep-rooted mistrust triggered by excessively levied tax on labor-earned income finally came out in the open.

The government responded that the amount of taxes on fixed income is not considered excessive compared to that of other countries, therefore a demand for tax reduction cannot be justified. The government repeatedly stated that taxation reform would be considered next year.

Although the issue could develop into a widespread tax revolt, not once was the issue discussed seriously except that the subject was once mentioned briefly at an economic board members meeting.

Concerning the price increase of government purchased autumn grain harvest, the Economic Planning Board and the Ministry of Agriculture and Fisheries have serious differences of opinion, and the government has not been able to establish a solid criteria for increases. They waste time exchanging "theory" and "moral obligations," thus

giving an impression to the public that there has been no set direction for agricultural policy yet.

The Planning Board insists that the purchase price increase be kept under 10 percent, at a single digit number. However, the wage increase of banks and government employees has already exceeded a single digit, thus challenging the Planning Board's stated intention.

Critics suspect that the delayed decision on the grain purchase price is caused by fear of farmers' protest immediately following any announcement, again displaying the government's indecisiveness.

Among the criticism of Cho Sun's planning team, critics say "cannot do anything," "full of generalities, no specifics," "two captains in a single boat."

An increasing number of employees in the government economic departments express bewilderment concerning "who is in charge of economic planning," and sarcastically comment that "time will solve the problem."

Nevertheless, regarding the issue of the concept of land usage, Cho Sun is likely to score above average both on issues and outlook, with aggressive execution of policy and departmental cooperation.

The reason is that the two key persons, Cho Sun and Mun in economic policymaking, unusually share a common view and outlook as far as land issues are concerned.

Korean Firms' Overseas Investments Reported

SK0501074090 Seoul YONHAP in English 0728 GMT 5 Jan 90

[Text] Seoul, Jan. 5 (YONHAP)—South Korean firms invested 424 million U.S. dollars in 220 equity projects in the first 11 months of last year, up 133.6 percent in value and 49.7 percent in number, a central bank report said Friday.

The Bank of Korea attributed the rise to the strength of the Korean won and steep wage hikes, which drove firms to relocate production lines. Aggregate Korean overseas investment since 1968 reached 1.38 billion dollars in 866 projects at the end of November.

The report said North America absorbed 622 million dollars in 308 projects, or 45 percent of the overall overseas investment, followed by Southeast Asia with 374 million dollars for 308 projects, the Middle East 125 million dollars for 35 projects, Oceania 109 million dollars for 44 projects, Latin America 76 million dollars for 74 projects and Europe 57 million dollars for 74 projects.

By industry, manufacturing, mostly textiles and footwear, accounted for 36.6 percent of the total with 507 million dollars in 283 projects, followed by mining with 378 million dollars in 15 projects.

Ministry Reports on 89-90 Overseas Construction

SK0901024290 Seoul YONHAP in English 0222 GMT 9 Jan 90

[Text] Seoul, Jan. 9 (YONHAP)—South Korean contractors signed overseas construction contracts worth 2.412 billion U.S. dollars last year, up 50.6 percent from 1988, the Construction Ministry reported Tuesday.

Hyundai Engineering and Construction Co. was top, winning orders worth 684 million dollars, followed by Daewoo with 575 million dollars, up 144 percent for Hyundai but a drop of 12 percent for Daewoo.

Tong Ah construction finished third with 296 million dollars, eight times its 33 million dollars in 1988, and Daelim Ind. Co. was fourth with 191 million dollars, up from 8 million dollars.

Rounding out the top 10 are shinhwa construction (132 million dollars), lucky development co. (96 million dollars), shinsung corp. (81 million dollars), Samsung Construction (77 million dollars), Ssangyong Construction (61 million dollars) and Keangnam Enterprise Ltd. (50 million dollars).

The ministry predicted Korean contractors will win overseas orders worth 7.717 billion dollars this year, up 220 percent from last year. Libya will be the source of the bulk of that amount, placing orders worth 5.625 billion dollars, while 820 million dollars will come from Saudi Arabia, 422 million dollars from Iran, 477 million dollars from Southeast Asia, 96 million dollars from Africa and 99 million dollars from other areas.

Curb on Overseas Facility Transfers Sought

SK0601055390 Seoul YONHAP in English 0212 GMT 6 Jan 90

[Text] Seoul, Jan. 6 (YONHAP)—South Korea intends to curb overseas investments and facility transfers by textile companies in order to prevent excessive competition among Koreans, a Trade and Industry Ministry spokesman said Saturday [6 Jan].

The ministry has decided to allow textile firms to apply for prior deliberation by the ministry on their overseas investments before final approval by the Bank of Korea or the Export-Import Bank of Korea.

It will also set up a committee on overseas investment in the Korea Federation of Textile Industries to analyze investments in foreign countries, the spokesman said.

The strong Korean won and sharp pay rises in recent years have prompted many textile firms to move part of their operations abroad, generating concern over the "hollowness" of the domestic textile industry.

Currently, some 110 Korean textile companies have plants overseas, mostly in Southeast Asia and Latin America, causing severe price and hiring competition.

Exports 'Brisk' With Small, Medium Businesses

SK0401022090 Seoul YONHAP in English 0208 GMT 4 Jan 90

[Text] Seoul, Jan. 4 (OANA-YONHAP)—Small- and medium-sized firms enjoyed brisk exports in November while big businesses were in the doldrums, the Korea Federation of Small Businesses (KFSB) said in a report Thursday.

In November, exports by small- and medium-sized firms leaped 8.8 percent from a year earlier to 2.1 billion U.S. dollars while those by big businesses fell 8.5 percent to 3.5 billion dollars, the KFSB report said.

During the January-November period, exports by small- and medium-sized businesses rose 4.5 percent to 21.8 billion dollars. Direct sales grew 9.3 percent, but indirect sales (usually through general trading firms) dropped 6.7 percent.

Exports were strong in Central and South America (up 35.5 percent), Africa (17.6 percent) and Asia (12.5 percent), but slumped in the Middle East (down 20.1 percent) and European economic community (10.6 percent).

Exports to Asia were led by sales to member-nations of the Association of Southeast Asian Nations (up 30.4 percent) and to Japan (12.9 percent).

Exports of chemicals, plastics, rubber, leather, clothing and textiles, transportation equipment and steel made gains, but primary products, consumer goods and electric and electronic goods suffered 3-9 percent setbacks.

In particular, such conventional items of small manufacturers as toys, handicraft, stationery, shoes, lighting fixtures and bicycles are rapidly losing ground due to weakening price competitiveness and outdated models.

Shipping Companies' Profits Up From 1988 Level

SK0901025490 Seoul YONHAP in English 0246 GMT 9 Jan 90

[Text] Seoul, Jan. 9 (YONHAP)—South Korea's 34 deep-sea shipping companies reported 63.8 billion won (93.8 million U.S. dollars) in pretax profits last year, only the second year of profit since 1981, the Korea Maritime and Port Administration said Tuesday.

The 34 firms had total revenues of 3.48 billion dollars, up 12.3 percent from 1988, while profit was down 500 million won from a year earlier. They repaid 445 billion won of bank loans last year, lifting their assets to 4.28 trillion won against debts of 4.24 trillion won for the first positive balance in eight years.

The six largest deep-sea shipping companies reported 2.58 billion dollars in revenues, up 13.1 percent, and 39 billion won in pretax profits, up 9.9 percent.

Hyundai Merchant Marine had a profit of 38 billion won, followed by Pan Ocean Shipping with 4.2 billion won, Tuyang Line with 3.8 billion won and Korea Line Corp. With 2.3 billion won.

Hanjin Shipping and Choyang Shipping, however, had deficits of 5.1 billion won and 4.2 billion won respectively.

Bank of Korea Recommends 'Conservative Control'

SK0501034890 Seoul YONHAP in English 0211 GMT 5 Jan 90

[Text] Seoul, Jan. 5 (YONHAP)—Recommending conservative control of exchange rates, the Bank of Korea said Friday devaluation of the South Korean won would improve the current account on a short-term basis and increase the gross national product [GNP] but it would also cause a sharp rise in prices on a long-term basis.

In an analysis, the central bank said a 5 percent depreciation of the won against the U.S. dollar would boost the GNP 0.45 percent, while causing the GNP deflator, an index of price levels, to rise 0.65 percent in the first year after devaluation.

Prices would rise 1.65 percent in the second year, 2.85 percent in the third year, 3.5 percent in the fourth year and 3.85 percent in the fifth year, the bank said. GNP growth, however, would peak at 1.65 percent in the second year and drop to 1.55 percent in the third year, 1.15 percent in the fourth year and 0.85 percent in the fifth year.

Devaluation would add 40 million dollars to the current account in the first year, and 680 million dollars in the second year, it said. The won has depreciated 2.3 percent since April last year, reaching 681.5 won to the dollar Thursday.

Trade Union Proposes Ceiling on Pay Raises

SK0601031290 Seoul THE KOREA HERALD in English 6 Jan 90 p 3

[Text] The Federation of Korean Trade Unions (FKTU) said yesterday it has decided to demand workers earning wages below the minimum cost living be given a 20.5 percent pay raise this year and those paid above the cost of living a 17.3 percent increase.
The decision was made at a meeting of representatives of 20 labor federations affiliated with the FKTU yesterday.
The FKTU-proposed increase levels will serve as the guidelines for wage negotiations between individual labor unions and management.
The proposed increase rates are 6.3 to 9.5 percentage points lower than last year's when the federation demanded a uniform 26.8 percent pay hike.

The federation claims that the minimum living cost for a four-member family averaged 788,069 won as of the end of last year.

FKTU chairman Pak Chong-kun said the proposed 20.5 percent raise will lead low-paid workers to earn an average 501,212 won, which he said accounts for 63.6 percent of the minimum living cost for a four-member family.

The proposed 17.3 percent pay raise is based on the same levels of increase over last year's living costs, he said.

Pak said FKTU proposed lower pay increase rates than those of last year, considering the economic downturn.

Correction to Article on 'Team Spirit' Exercise

SK1001234290

The first paragraph of the item headlined "USSR, DPRK Invited to View Exercise" published in the 10 January issue of the East Asia DAILY REPORT, page 34-35 should read: [Text] **The government has already sent invitations to the Soviet Union and North Korea to observe the Korea-U.S. military exercise, Team Spirit, it was learned yesterday....** (showing first sentence in boldface as published)

Burma

Editorial in Indian Daily Criticizes 'Repression'

BK1101103590 Delhi External Service in Burmese 1115 GMT 9 Jan 90

[Text] Dear 39 million pro-democracy listeners: In today's "Current Burma Affairs" program, we present an editorial from the 6 January issue of THE HINDUSTAN TIMES entitled "Repression in Burma" which reviews the current situation in Burma. We present the translation of the newspaper editorial as follows:

The Indian Government's dismay at the house arrest of U Nu and others and more generally at the conditions prevailing in Burma is well-founded. The Burmese military junta's actions appeared to have dashed hopes that it will hold a free and fair election in May as it had promised. It now seems to be engaged in fomenting division in the opposition ranks. It has announced the lifting of restrictions on five associates of U Nu and some cosmetic relaxations like ending martial law in the Mandalay and Sagaing regions.

Its aim seems to be to rig the polls in favour of the National Unity Party, which has replaced General Ne Win's Burma Socialist Program Party. But it is hardly likely to get the world's approval or aid by such tactics. Thus Burma's first exercise since 1960 in multiparty elections seems to be a foredoomed failure despite 207 political parties having registered themselves and eight fronts having been formed. That is unless there is some change.

The junta—the State Law and Order Restoration Council—which was formed with a handful of conspirators in September 1988 to bloodily put down prodemocracy demonstrations is ruling the country with an iron fist and putting aside the people's democratic rights.

Burma, rich in natural resources, has been reduced to the position of the ninth poorest country in the world by its rulers. It has never settled down politically since it won independence in 1948. In 1962, General Ne Win came to power but his strange mix of socialism, Buddhism and militarism took the country further downhill while isolating it from the rest of the world.

Trouble boiled up in September 1987 leading to a crackdown a year later when thousands were massacred after the junta took over. Ne Win remains the eminence grise. The unrest has, however, produced opposition leaders, the most notable of whom is Aung San Suu Kyi, the daughter of Burma's hero-martyr Aung San. She is the general secretary of the National League for Democracy [NLD] and has been under house arrest since July. This means that under the electoral law she will not be able to contest the poll together with the party chairman, U Tin U, who was recently jailed for 3 years. As the NLD is likely to win in a free and fair poll, the debarring of its leaders is enough to make a mockery of the poll.

Commission Annuls Registration of More Parties

BK1101064190 Rangoon Domestic Service in Burmese 1330 GMT 10 Jan 90

[Text] The Commission for Multiparty Democratic General Elections of the Union of Myanma [Burma] issued Announcement No 360, dated 10 January 1990—the 15th day of the waxing moon of Pyatho, 1351 Myanma era. The announcement reads:

Subject: Deregistration of Political Parties

1. The Commission for Multiparty Democratic General Elections of the Union of Myanma, upon receipt of applications for registration from political parties, permitted their registration in accordance with the Political Parties Law.

2. However, following requests from several political parties for the annulment of their registrations in light of the unanimous decisions made by the Central Executive Committees concerned, the commission has annulled the registration of the following parties as of 10 January 1990:

A. Democratic Youth Organization, Mon State, of Lower Main Road, Mayangon ward, Mawlamyine. It was registered on 26 October 1988 under Announcement No 51.
B. United Force Party, No 8, 10th ward, Mahlaing, Mandalay Division. It was registered on 17 November 1988 under Announcement No 138.
C. Union Genuine Democracy Party, Burma, No 64, ground floor, 10th Street, Lanmadaw Township, Yangon [Rangoon] Division. It was registered on 2 December 1988 under Announcement No 151.

By the authority vested in me
Signed: Aye Maung, secretary

Cambodia

Hungarian Envoy Supports Peace Initiatives

BK1101133290 Phnom Penh SPK in English 1058 GMT 11 Jan 90

[Text] Phnom Penh SPK January 11—"The Hungarian Government supports the State of Cambodia's policy of peace and national reconciliation and its initiatives aimed at solving the Cambodian issue by peaceful means in the interests of the Cambodian people," said Hungarian Ambassador to Cambodia Lajos Tamas in an interview with SPK in Phnom Penh Wednesday.

The Hungarian ambassador considered the political settlement of the Cambodian conflict an important contribution to maintaining peace and stability and to restoring friendship, good neighborliness and cooperation in Southeast Asia.

"The United Nations should play a positive role in the settlement of the Cambodian problem; Hungary will not accept the return of the genocidal Pol Pot clique to power in Cambodia," he stressed.

Lajos Tamas voiced support for the peace initiatives advanced by the Thai prime minister and the Australian foreign minister.

On the situation in Hungary, he highlighted the process of economic, political and social reform in his country. He recalled the decision of the Hungarian National Assembly on the formation of a multi-party government in Hungary. "Free, general elections will be held in Hungary as a move to build up a real and legal democratic state in the country," he noted.

As far as the Cambodia-Hungary relations are concerned, he expressed satisfaction at the further development of all-sided cooperation between the two countries, especially in the political sphere. "In the future we should make ever bigger efforts to expand our cooperation in the economic field," he said.

Heng Samrin Greets New Hungarian Party Leader

BK1101081790 Phnom Penh SPK in French 0406 GMT 11 Jan 90

[Text] Phnom Penh, 11 Jan (SPK)—Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party Central Committee, sent warm congratulations to Gyula Thurmer on his election to the post of chairman of the Hungarian Socialist Workers' Party. The message says in essence:

We have attentively followed the evolution of the situation in Hungary and the efforts of different fraternal Hungarian parties to get the country out of the economic crisis, and also the fruitful 14th Congress of the Hungarian Socialist Workers' Party.

We are convinced that in the light of the resolution of its 14th congress, the fraternal Hungarian Socialist Workers' Party, with you at the helm, will firmly advance, effectively contributing to reforms for social progress and the well-being of the fraternal Hungarian people, concludes the message.

National Day Greetings Received From USSR

BK1001121290 Phnom Penh SPK in English 1101 GMT 10 Jan 90

[Text] Phnom Penh SPK January 10—Cambodian party and state leaders have received warmest greetings from their Soviet counterparts on the 11th national day of the State of Cambodia (Jan 7).

The congratulatory message from the Soviet leaders was respectively addressed to Heng Samrin, secretary general of the People's Revolutionary Party of Kampuchea Central Committee; Chea Sim, chairman of the National Assembly; and Hun Sen, chairman of the Council of Ministers of the State of Cambodia.

The message says: "The Soviet people have noted with satisfaction that under the leadership of the People's Revolutionary Party of Kampuchea, the Cambodian people obtained substantial achievements in their national construction and defence.

"The socioeconomic and political reform and the special democratization which occurred in Cambodia are paving the way for the social progress.

"Cambodia's political line to achieve the national reconciliation, the global political settlement and the permanent neutrality of Cambodia has enjoyed wide-range support on the international arena.

"We highly appreciate the consolidation and development of multiform cooperation between the Soviet Union and Cambodia."

The message wishes the Cambodian leaders greater success in their noble tasks and the Cambodian people peace and happiness.

Hun Sen Addresses National Day Meeting

BK1001110990 Phnom Penh Domestic Service in Cambodian 1300 GMT 9 Jan 90

[Speech by Chairman of the Council of Ministers Hun Sen at 7 January National Day meeting in Prey Veng town—recorded]

[Text] On behalf of the party and government and in my own name, I would like to extend my warmest greetings to you and express most sincere admiration at the successes won by the people of Prey Veng during the past 11 years.

On this occasion, I would like to inform you of some events that occurred during the past 11 years. What have we done? What have we achieved? How far have we advanced on the road we have taken and how much further must we continue to advance? We must remain vigilant, of course, but what should we do in order to maintain this January day always as the 7 January day of our people, that is, the 7 January day for our survival, for the glory of our nation and people.

I would like to take the opportunity of this occasion to brief you on [words indistinct] the national achievements won during the past 11 years. The day of 7 January was made possible thanks to the great struggle of our people and to the assistance of Vietnam, Laos, the Soviet Union, and other socialist countries enabling us to topple the savage genocidal Pol Pot regime. It was the day we were born again.

Eleven years have elapsed. This is a short period of time for a devastated country like Cambodia. Now, in order to know what we have done and how much we have done, we must compare some points in the transition

through the last stage of our country. We must compare a number of [word indistinct] in order to know what we have done and what possibilities we will be able to achieve in the future.

In this connection, we must compare four regimes that have ruled Cambodia for nearly the past 30 years. This comparison will show the different developments and changes from one regime to the next, and will finally show us what we have done and how much we have done, for this question is very important in assessing the situation.

I would like to talk about the different points, the consequences passed on from one regime to the next, and the transition in each regime. First, I would like to say a little something about the Sihanouk regime. The French controlled Cambodia for nearly a century. We can say that it was [words indistinct] that France ruled Cambodia.

Following the violent struggle of the Cambodian, Vietnamese, and Lao peoples in addition to the defeat of the Japanese and German Fascists, France was forced to sign an agreement returning independence to [words indistinct]. When France handed independence back to Cambodia, it shifted control over to Prince Sihanouk. France handed over a considerable heritage to Prince Sihanouk. Social, economic, and political structures, material and technical foundations, production bases, and many functionaries were left behind at that time. For 16 years, Prince Sihanouk engaged in a construction offensive under the most stable conditions.

It was true that Sihanouk experienced some problems caused by the oppressive rule of the administration at that time, a rule which led to the outbreak of popular resistance here and there, in addition to the U.S. maneuvers to push Cambodia into a war zone as the United States was becoming bogged down in South Vietnam. However, the upheaval at that time was not a war. Although there were a few uprisings, that unrest was not a war. For this reason, we can say that Prince Sihanouk was left to build the country virtually in peace.

Lon Nol outsted Prince Sihanouk in 1970. He inherited the peace and security in Cambodia from Prince Sihanouk, who himself had inherited it from the French. But after Lon Nol inherited all the assets through the coup d'etat that had deposed Prince Sihanouk and following the overt U.S. invasion, Cambodia was engulfed in a full-fledged war [words indistinct] it was an important stage, a transition from peaceful development to a state of chronic war.

Cambodia was divided into two zones of control, one under the Lon Nol administration and the other under the national liberation forces. In the liberated zone, destruction and ruin could be seen everywhere because of the U.S. war of aggression. In the zone under the Lon Nol control, because of the mistakes made by the leaders and because of the war of devastation, cities were in ruin and the economy was in critically bad shape. Nevertheless, it could be observed that in the cities and the areas under the control of Lon Nol, many schools, hospitals, material and technical foundations, and production bases were left behind.

Now, let us look at Pol Pot's inheritance from Lon Nol. On 17 April 1975 Cambodia was liberated from U.S. imperialism, from the Lon Nol regime, and at that time [words indistinct] were plunged into another situation of an undeclared war as genocide was unleashed in Cambodia. Pol Pot destroyed all the inheritance he had attained. He changed the people from being rich, from having cars, bicycles, motorcycles [words indistinct] into being poor, into having nothing, having no food, having no clothes, and not even having sandals to wear. Moreover, he did the worst thing: He caused more than 3 million people to perish and bequeathed us serious consequences.

Now, let us look at our inheritance. What have we inherited from the Pol Pot regime? Our only inheritance from the Pol Pot regime was the countless problems that we had to solve. Of this problem, I am sure, many of you present at this meeting must have had personal experiences. I would like to compare our regime to that of Prince Sihanouk. Are there any differences? There are differences on three points.

The first point is the departure point, the point concerning the inheritance. Prince Sihanouk's regime inherited many things from the French. In addition, it received huge Western aid. From Pol Pot, our regime inherited nothing but empty hands and countless consequences that we had to resolve. This is a point of difference that we must realize in order to make a correct appraisal regarding the departure point. We started off differently. One started off in a car while the other set out on foot, exhausted and traumatized. This is the first point of difference.

The second point of difference is that while Prince Sihanouk started off in a car, on a motorcycle, maybe, enjoying a good name and rebuilding the country in relative peace for 16 years, we have been rebuilding the country over the past 11 years in a situation of half-peace, half-war. It is true, we have said that peace has prevailed in the greatest part of the territory and most of the time while the war is only spotty and sporadic. But it should be understood that whether it is large or small, a war does not make exception for human lives, property, and national reconstruction efforts. When there is fighting in one place, it certainly has impact on other places as well. It certainly influences our overall framework and overall strategy.

During these 11 years, the enemies have not relented in attacking us. They have not allowed us any breather, preventing us from rebuilding the country. Not only have foreign countries failed to give us aid, but they have imposed pressure and an economic blockade on us and have politically and diplomatically isolated us in order to

force us into accepting the return of the Pol Pot regime. So far, there has been no better choice for us than continuing to wage the struggle. If we did not fight, the enemies would return to power. Who then would return? It would not be Sihanouk nor Son Sann, but the Pol Pot regime. We despise war. After 7 January, we thought that we [words indistinct], that we would be able to rebuild the country in peace. But we have been spending these 11 years fighting the return of the Pol Pot regime. We hate war. We want peace. But we have been forced to wage war because it is a war imposed on us. If we do not wage this war, it is most certain that the Pol Pot regime would return.

So, this is the difference between the 16-year rule of Prince Sihanouk and our 11-year control.

The third point of difference is that Prince Sihanouk built the country for 16 years and, if we counted from 1953, he spent 17 years in the national construction process, whereas we have just spent a mere 11 years doing so. Let me tell you that 11 years is not enough to rebuild such a devastated country like Cambodia.

Dear meeting participants and compatriots: This is the point that should encourage us to become more objective. We should not be overly opinionated, or too proud of our achievements. However, if we make this comparison for correct assessment, we cannot refrain from being proud of families, of ourselves, of our workers, of our authorities. Although we know that more difficulties are lying ahead, we also know that we have already passed the most difficult stage.

In conclusion, I would like to make a joint appeal to the provincial party committee and people's revolutionary committee and to all cadres, combatants, and compatriots throughout Prey Veng Province. I appeal to you to observe the following three main points:

First, you must heighten your sense of vigilance. Do not allow the enemies to attack you by surprise, unprepared. Everywhere, the Armed Forces must have good contingency systems and efficient preventive measures. This is the first point. The new year's plan, new year's target is never to let the enemies attack us by surprise, unprepared. Although Prey Veng Province has never experienced such incidents as there have never been reports of armed enemy activities, we must not allow the enemies any opportunity to attack us by surprise.

Second, you must prepare conditions for the recruitment of troops to fill gaps in the frontline ranks, in the regular forces. This duty must be carried out at all costs. We must strengthen the Armed Forces. Without the armed forces, we cannot survive. We must consider the Armed Forces vital to our regime, vital to the authorities, and vital to the entire population. For this reason, we must build strong Armed Forces, including the army, police, and militia. We must train them well and send the cream of our forces to back up and refurbish the regular forces, enabling them to attack the enemies and force the enemies to split up so that we can deal with them piece by piece. This is my second appeal.

The third appeal is to the party committees and people's committees at all levels, to the compatriots, and especially to all leaders: Do not let the people go hungry without learning about it and finding a solution for it. Rice planting in Prey Veng Province has been good in most parts, but it has been unsuccessful in a number of places. In such a situation, the party committees and people's revolutionary committees at all levels must closely monitor the people's living conditions. Never let the people starve without learning about it and without finding a solution for it. Never let the people go hungry to the point of exhaustion.

These are the three points for party committees and people's revolutionary committees at all levels, all cadres, and all leaders. I also appeal to all compatriots to increase their sense of awakening and join all activities to prevent the return of Pol Pot in order to contribute to the restoration of our country. Join and do well in the three revolutionary movements of the masses, namely in attacking the enemies, proselytizing the enemies, and building the real revolutionary forces, building the economy, and stabilizing the livelihood of the people. Regard these three revolutionary movements as the core, the essence of the mass movement in the cause of national defense and reconstruction. [applause]

Editorial Urges Army Emulation Movement

BK0901095390 Phnom Penh Domestic Service in Cambodian 1200 GMT 8 Jan 90

[KANGTOAP PRACHEACHON editorial: "The Entire Armed Forces Are Determined To Emulate in Fighting the Enemies and Building All-Around Strong Units"—date not given]

[Text] Recently, the General Political Department of our Cambodian People's Armed Forces [CPAF] issued a directive on stimulating the emulation movement in fighting the enemies and building units within the overall campaign to carry out various important tasks from that time until the end of June 1990. This is a resolution which is very suitable to the current situation in the country.

The emulation work is an indispensable activity among all revolutionary activities in general and particularly among the activities of our CPAF in the current phase.

Emulation work has always been a source of encouragement for all units and each cadre and combatant to jointly strive to surmount all obstacles, thus achieving splendid feats in carrying out all tasks assigned by the party and people.

In the current situation when Cambodia's own forces are independently assuming responsibility for the tasks to defend and build the country, the struggle between us and the enemies remains very complex and resolute.

Although the enemies have suffered serious defeats successively, they have continued resorting to all kinds of maneuvers and schemes in an attempt to topple our new regime and bring back the genocidal Pol Pot regime to further massacre our Cambodian people.

As a matter of fact, since the total withdrawal of Vietnamese Army volunteers from Cambodia on 26 September 1989, the three Cambodian reactionary groups of Pol Pot, Sihanouk, and Son Sann have launched a large-scale military offensive against various important areas in provinces in the western part of our motherland, such as Banteay Meanchey and Battambang, and a part of Siem Reap-Oddar Meanchey Province.

This short-term emulation movement requires members of the Armed Forces to carry out their work in accordance with the following four points:

1. To effectively build ideology;
2. To effectively build the Armed Forces and units and fight the enemies;
3. To effectively build real revolutionary forces; and
4. To effectively improve the livelihood of soldiers.

These four points are aimed at encouraging our soldiers to actively take part in building all-round strong units, thus ensuring that combatants in all units have the resolute will to fight against the enemies, always nurture hatred against the enemies, and can overcome a number of bad phenomena.

This phase of emulation movement also aims at enhancing the capability to lead and command the fighting by cadres, at all levels and in all sectors, who should be actively training the soldiers and effectively controlling their own units and the supplies for feeding the soldiers. Moreover, it is aimed at enabling our Armed Forces to check any accidental phenomena in a timely manner.

To effectively carry out this emulation work, cadres at all levels must pay attention to guiding, following up, and stimulating the movement so that it is carried out enthusiastically from the beginning to the end. They must know how to draw experiences from the movement, accord timely praise and awards, apply the Defense Ministry's revolutionary army oath, and set targets according to the specialized fields of work and size of each unit.

This is also a good time for us to apply our combined forces, combined means, and combined measures; to attack the enemies vigorously; to bring concrete changes to our units particularly with regard to ideology; to grasp the perfidious maneuvers of the enemies; to enhance our determination to fight against the enemy and defend our national achievements, and our sense of responsibility for all tasks.

To effectively stimulate the emulation movement, all cadres and party members in all sectors and at all levels must set a good example in all aspects, thus encouraging combatants to follow suit.

If we can effectively carry out all these points, the tasks of our our armed forces to fight against the enemies and build units will certainly be carried out well and our Armed Forces will advance even more rapidly. This will create a powerful force for us to timely smash all counterrevolutionary activities of the enemies, inflicting total defeat on them, and to lead our Cambodian ship toward the harbor of genuine peace and happiness.

Activities in Battambang, Banteay Meanchey Noted

BK1101132890 Phnom Penh Domestic Service in Cambodian 1300 GMT 11 Jan 90

[Text] Here is a report on the successes won by our frontline armed forces:

According to frontline sources, from 4 to 8 January, from the position of strength and victory and as masters of the battlefield, our Armed Forces in Battambang Province launched successful sweeping operations against the enemies and frustrated their adventurous attempt to capture Kamping Puoy with remarkable results.

As a matter of fact, we killed 69 enemy soldiers, wounded several others, and seized a large amount of weapons and other war materiel.

During the same period, our Armed Forces in Banteay Meanchey Province fought and smashed enemy maneuvers and activities 16 km northeast of Sisophon, killing six enemy soldiers and wounding six others.

At a point 10 km northwest of Sre Noy, on 5 January, our forces killed eight enemy soldiers, wounded seven others, and seized six weapons and some 82-mm mortar shells and other war materiel.

Sihanoukist General on Battle for Battambang

PM1101122490 Paris LE FIGARO in French 9 Jan 90 p 4

[Thierry Desjardins dispatch: "The Battle for Battambang"]

[Excerpts] Cambodian Jungle—This is it. The battle for Battambang has started. The Khmer Rouge, who have been more or less surrounding the city for weeks and have regularly cut off the road and railroad linking Battambang to Phnom Penh, launched the final assault last Friday. [passage omitted]

In his headquarters hidden deep in the forest, General Toan Chay, a former fighter pilot who now commands the second division of the Sihanoukist army, had a long meeting with me while the guns were firing a few kilometers away under the incredible blue sky of this dry season which is just starting.

"The Khmer Rouge," he said, "are better armed than we anticommunists. Our generous sponsors give us equipment in dribs and drabs. We have a few Chinese, German, American, British, and French weapons but they are just light weapons. We were expecting a French delivery. Unfortunately, there was a leak and Paris canceled the delivery. People are ashamed of helping us. We are accused of being the Khmer Rouge's allies. So, they prefer Hun Sen, who is the Vietnamese and Soviets' man. But the free world does not realize that by doing that it is likely to allow the Khmer Rouge to triumph alone. The Chinese are not wasting any time. They have never before sent as many weapons to their Khmer Rouge friends as they are now doing."

[Desjardins] But are you cooperating with the Khmer Rouge?

[Toan Chay] No. We are mounting joint operations with Son Sann's Khmer People's National Liberation Front but never with the Khmer Rouge. They can say what they want but Pol Pot is still their absolute leader. I am afraid to talk to a Khmer Rouge. The last time I saw Khieu Samphan and Son Sen was at a dinner given for the Chinese People's Army festival. They asked me how things were going. I said "fine." They asked me: What about your family? I replied: They were massacred by the Khmer Rouge. The conversation ended there. That is what our relations are like with these allies which we are so strongly criticized for having. [passage omitted]

VOK Details Bomb Attacks in Phnom Penh

BK1101070090 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 11 Jan 90

[Text] Reports from Cambodian nationalist resistance say agents of the Cambodian nationalist resistance carried out vigorous activities in Phnom Penh by exploding bombs—wounding at least 18, including 16 Vietnamese and 2 Heng Samrin policemen.

The reports say that since 5 December [as heard], Cambodian nationalist resistance agents exploded bombs at the roundabout in front of (?Preah Put) monastery, wounding two Heng Samrin policemen. The reports further say that from 6 to 10 December [as heard], Cambodian nationalist resistance agents exploded bombs at the railway station, in front of the royal palace of Cambodian kings, at Hun Sen's house near the Independence Monument, at the office of the Defense Ministry, and at Phsa Chas—wounding 16 Vietnamese, including a Vietnamese expert.

More SRV Troops Said Sent to Western Areas

BK0401034890 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 3 Jan 90

[Excerpt] On 26 December, the Vietnamese enemy brought 60 truckloads, about 1,800, fresh Vietnamese soldiers from Vietnam along National Route 7 across Kompong Cham provincial town and crossed the [Mekong]] River at Prek Kdam. The troops proceeded to battlefields in western Cambodia. All of these Vietnamese soldiers are disguised, wearing the uniforms of the puppet police force; however, they do not wear any caps with insignia on them. [passage omitted]

Officials' Families Said Moved To Avoid Attack

BK0401035890 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 3 Jan 90

[Excerpt] State authority officials at district and provincial levels of Heng Samrin and Hun Sen puppets and traitors in Preah Vihear Province recently moved their families to Stung Treng Province. The reason behind the move is that the puppet state authority officials are worried about the increasingly vigorous attacks by our Cambodian national resistance forces against the Vietnamese enemy aggressors and their puppets and lackeys in Preah Vihear Province and everywhere. They have no hope of being able to oppose our Cambodian national resistance forces. [passage omitted]

'Division-Level Commander,' SRV Adviser Killed

BK0501030890 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 4 Jan 90

[Text] On 2 January, our national resistance forces intercepted a convoy of Division 94 moving from Anlung Meat to Kreus west of Pramaoy Village, Route 56 battlefield. We destroyed a truck and all of the materiel in it, and we killed a division-level commander of the 94th division and a Vietnamese adviser to the puppet Defense Ministry on the spot.

Further on Resistance Attacks Near Phnom Penh

BK1101030090 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 10 Jan 90

[Text] 1. On 6 January, our national resistance forces, in cooperation with our people and civil servants of Vietnam's puppet regime, attacked Phnom Penh with 32 bombs and TNT explosives in Phnom Penh itself and its suburbs, killing or wounding some Vietnamese soldiers and puppets who were drinking alcohol near a hotel.

A preliminary report further says in the city's suburbs, bombs and plastic explosives killed or wounded a number of Vietnamese secret police agents and puppet police agents codenamed A-3.

2. In a situation in which Phnom Penh—the last den of the Vietnamese enemy and puppets—is being attacked, the Hanoi Vietnamese enemy immediately took Hun Sen, Heng Samrin, and some other leaders to Prey Nokor [Cambodian name for Ho Chi Minh City]. The report says this was done: 1. To protect puppet Hun Sen and use him for meetings with people, and to use the

puppet regime as a smoke screen to cover up Vietnamese enemy forces, both military and all levels of administrative personnel, and continue occupying Cambodia.

2. To send puppet Hun Sen from Prey Nokor to Svay Rieng to meet with Australian Deputy Foreign Minister Costello. The Vietnamese enemy could not guarantee the meeting between Hun Sen and Costello in Phnom Penh because of security reasons. The Vietnamese enemy decided to organize the meeting in Svay Rieng because it reasons that the meeting in Phnom Penh has two disadvantages. First, security cannot be ensured. Second, during the meeting with Costello, if the sound of bombs, plastic explosives, or gunfire—produced by Cambodian national resistance forces whose location is unknown to the Vietnamese, or by people, Cambodian soldiers, or civil servants in the city—is heard, this would greatly endanger the policy of the Vietnamese enemy and its puppets. The world is well aware of this situation.

Fighting in North Siem Reap 7-9 Jan Detailed

BK1101024190 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 10 Jan 90

[Text] 1. On 7 January, our national resistance forces attacked and swept positions defending north Siem Reap along a more than 10 km stretch from Varin to Sre Noy, smashing 2 company positions of the Vietnamese enemy and puppets and 4 platoon positions, and killing 12 enemy soldiers on the spot and wounding many others. We destroyed 14 army shelters and some weapons and war materiel, and seized 12 AK's. We completely liberated Sre Noy Khang Lech, Lvea Krang, and Varin Khang Kaeut communes and 11 villages: Sre Samok, Lvea Krang, Kouk Vat, Chambak Sar, Kouk Chan, Kouk Kandal [word indistinct], Kouk Atey, Kouk Srok, Santeas, Kouk Phnum, and Anlung Sar. We also freed 51 militiamen and Cambodian soldiers.

2. On 9 January, our national resistance forces continued to attack, and swept many positions of the Vietnamese enemy and puppets along the roads from Sre Noy to Banteay Srei and from Sre Noy to Khna Rongvoas. They also routed enemy reinforcement troops attempting to move from Khna Rongvoas to assist troops in Sre Noy. We killed or wounded a number of Vietnamese enemy and puppet soldiers and destroyed many enemy positions along these two roads and seized several weapons and various types of ammunition.

The Sre Noy position is currently surrounded by our national resistance forces, and is being attacked by our infantry troops and artillery pieces. No outside forces can assist these troops in Sre Noy.

SRV Soldiers Said To Rob Kompong Som People

BK0401035190 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 3 Jan 90

[Excerpt] On 23 December, a group of soldiers of the Hanoi Vietnamese enemy aggressors hiding in Ream near Kompong Som City robbed our people's fishing boats in O Ta Sek Village in Prey Nop District on Kompong Som battlefield; 2 boats, 2 ounces of gold, and 10,000 riels were taken. When our people protested, two were killed; their heads were cut off and taken to Prek Toek Sap to intimidate our people from talking about Vietnamese soldiers hiding in Ream forest. [passage omitted]

Resistance Routs Commune North of Phnom Penh

BK0501041990 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 4 Jan 90

[Text] On 30 December, our national resistance forces attacked and completely destroyed the Vietnamese enemies and puppets' administrative networks in Chba Ampeou Commune, Cheung Prey District, north Phnom Penh battlefield. We killed or wounded a number of Vietnamese soldiers, destroyed three communal office buildings, and put out of action 96 military and civilian Vietnamese-puppet officials. We liberated the three following villages: Tuol Chan, Chba Ampeou, and Ta Nil, and we freed 37 village officials and seized 3 CKC rifles.

More Attacks Near Battambang Town Reported

BK1101014490 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 10 Jan 90

[Text] After smashing major strategic positions of the Vietnamese enemy and puppets in Battambang town on 5 and 6 January, our national resistance forces continue to attack and sweep the Vietnamese enemy and puppets along Sangke River on east Battambang town battlefield at the following places:

1. In Norea Commune, we liberated 9 villages: Norea, Samraong Norea, Ta Kot, Roneat, Khsie, Sala Khum Vat Norea, Vat Sophi, Vat Po Knong, and Vat Pou Veal.
2. In Anlung Vil Commune, we liberated 12 villages: Anlung Vil, Chrap Veal, Beng, Kroch, Khlong, Svay Kang, O Mani Ti Muoy, O Mani Ti Pi, Ta Hen Ti Muoy, Ta Hen Ti Pi, Roka, and Ambaeng Thngai.
3. In Ta Pon Commune, we liberated five villages: Svay Thom, O Krasang, Svay Sar, Chang-o Thmat, and Prek Kong.
4. In Samraong Knong Commune, we liberated 12 villages: Samraong Knong, Trea, Kompong Sambuo, Sala Ta An, Snao, Snao Muk, Prek Ta Chreng, Kanhchraeng, Anlung [word indistinct], O Tatoeng, Sak Khpop, and Thgnai Tatoeng Knong.

We killed or wounded a number of enemy soldiers and freed 65 commune and village officials.

VODK Urges People To Flee Phnom Penh Regime

BK1101044490 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 10 Jan 90

[Unattributed commentary: "Why Vietnam Dares Not Allow Puppet Hun Sen To Meet Costello in Phnom Penh"]

[Text] Sources in Phnom Penh report that along with our national resistance forces' attacks against Battambang town, our national resistance forces in Phnom Penh cooperated with people and officials of the puppet administration in Phnom Penh and vigorously attacked the Vietnamese enemy aggressors and puppets with bombs and TNT explosives inside Phnom Penh itself and the suburbs for 2 consecutive nights on 6 and 7 January, causing confusion in the city. The Vietnamese enemy and puppet leaders were in great panic. Vietnamese administrators in Phnom Penh thought their final day had arrived and frantically took puppets Hun Sen, Heng Samrin, and some other leaders to Prey Nokor [Cambodian name for Ho Chi Minh City] to use them in meetings with people to serve Vietnam's policy of aggression and occupation of Cambodia. This situation forced the Vietnamese enemy to cancel the planned meeting between puppet Hun Sen and Australian Deputy Foreign Secretary Costello in Phnom Penh.

On 7 January, Vietnam brought its blind puppet [Hun Sen] from Prey Nokor to meet Costello in Svay Rieng town instead. This shows that the Vietnamese enemy is no longer in control in Phnom Penh, let alone in the whole of Cambodia. It is to be recalled that at every meeting, Vietnam and its puppets and lackeys usually organize something to make people believe that they are completely in control in Cambodia. For example, when Vietnam's one-eyed puppet [Hun Sen] visited Thailand last year, he pretended to be smart by traveling by car from Sisophon and crossing the border into Thailand to show people that he was in complete control in Cambodia. Now the puppet, who used to boast about being in complete control in Cambodia, does not dare meet foreign guests in Phnom Penh—a place he considered the most secure. What does this mean?

It means that the situation is serious and that Vietnam has lost the initiative. Vietnam cannot stage any more theatrical farces. This is a great shame for the Hanoi Vietnamese enemy aggressors, particularly for their blind puppet who used to boast that he was in complete control.

Compatriot Cambodian soldiers and Cambodian officials serving Vietnam: The Vietnamese themselves and their close puppets no longer trust themselves. They are no longer confident that they can live in Cambodia. They dare not even meet with foreign guests in Phnom Penh for a couple of hours. This shows that the situation is serious. Vietnam and its puppets and lackeys clearly realize that they will be defeated in the near future. Therefore, compatriots, please get away in time from Vietnam and its puppets. Puppet big chiefs have already taken their property, gold, diamonds, and money—plundered from our nation and people—to Vietnam. When the dangerous moment arrives, they will flee the country, taking their wives and children to live in Vietnam, their masters' country. Therefore, compatriots, please flee immediately. You have to flee before puppets Hun Sen and Heng Samrin do, to stay alive and live with honor as ordinary citizens like the rest of our people.

Laos

Lao-Thai Military Committees Hold Meeting

BK1101095190 Vientiane Domestic Service in Lao 1200 GMT 10 Jan 90

[Text] A meeting between the Lao and Thai joint military committees was held in Laos' Ban Meuang Phe village in Na Bonoi canton, Boten District, Sayaboury Province, on 9 January. The meeting was held in accordance with an agreement reached between the two sides on 19 February 1988 to supervise the separation of troops of both sides from each other. The joint military committee of the Lao side was headed by Colonel Somboun Sisavat and the joint military committee of the Thai side was headed by Colonel Phanlop Plumchit.

The consultative meeting proceeded in an atmosphere of mutual understanding. The two sides informed each other of the border situation and jointly discussed means to settle the problem in order to normalize the situation along the Lao-Thai border in Laos' Boten District, Sayaboury Province and Thailand's Chat Trakan District, Phitsanulok Province to maintain the good-neighborly friendship, peace, and peaceful coexistence.

The two sides agreed to meet again in early February. After the meeting, the joint military committees of both sides went by plane to make an air survey of the actual disputed area.

Assembly President Receives New Thai Ambassador

BK1101114990 Vientiane KPL in English 0859 GMT 11 Jan 90

[Text] Vientiane Jan. 11 (KPL)—Nouhak Phoumsavan, president of the People's Supreme Assembly received here on Jan 10 Nikhom Tantemsap, new ambassador of the Kingdom of Thailand to the Lao PDR [Lao People's Democratic Republic], after his presentation of credentials to the Lao acting president.

The reception passed in a warm atmosphere, in which Nouhak Phoumsavan expressed hope the Thai ambassador's mission here will contribute to the development and promotion of the friendly and neighbourly relations between the two countries—Laos and Thailand, for the mutual interest based on the joint communique signed between the two governments on November, 25, 1988.

Trial of 38 SRV 'Reactionaries' Begins 11 Jan

BK1101102690 Vientiane KPL in English 0915 GMT 11 Jan 90

[Text] Vientiane, Jan 11 (OANA-KPL)—A trial of 38 Vietnamese reactionaries started here at the people's court this morning.

The judiciary body in charge of the sentence conduct includes Mr. Ket, president of the People's Supreme Court as judge, Mr. Phai Oula, director of public prosecution as prosecutor. Mr. Khampoun acted as a lawyer for the defendants. 68 armed Vietnamese reactionaries had crossed the Mekong River into Lakhonpheng District in the southern Saravane Province of Laos from Ubon Ratchathani Province of Thailand in August 1989. Heading for Toumlan and Ta Oi Districts, they were attacked by the local Army and militia in collaboration with the local people of Phanem and Phakeo [villages] of Lakhonpheng [District]. Following the attack, 38 persons were arrested and surrendered. The rest were put out of action. They were attached to the Brigades No 1419 and No 2589 under the command of Captain Tran Quang Do, aged 39, who formerly served in the Saigon puppet army. Tran Quang Do, among the arrested, was born at Can Tho village of An Giang Province, Vietnam.

20 defendants have been investigated during the morning session of the trial.

These 38 Vietnamese reactionaries have committed a criminal offence against Laos's criminal law: Articles 51, 54, and 61. The trial will continue its session.

Assumption of Judiciary Posts Announced

BK1101010090 Vientiane KPL in English 0907 GMT 9 Jan 90

[Text] Vientiane, Jan 9 (KPL)—Mr Ket, director of the intermediate-level law school, and Mr Phai Oula, president of the Commission on Laws of the People's Supreme Assembly, on January 7, 1990 officially took over the posts of president of the People's Supreme Court and director of public prosecution respectively from Mr Kou Souvannamethi, minister of justice.

This was made in furtherance of the resolution of the People's Supreme Assembly adopted on November 24.

Mr Kou Souvannamethi assumed these two posts since 1984 under a decree of the Council of Ministers.

Instruction on Celebration of Army Day Issued

BK1001154190 Vientiane Domestic Service in Lao 0430 GMT 10 Jan 90

[Text] The Army General Political Department recently issued an instruction to commanders of all units in the regular armed forces, the regional forces, the office of the [National Defense] Ministry, schools, hospitals, and production units throughout the army on preparations to celebrate the 41st founding anniversary of the Lao People's Army [LPA].

Text of the instruction reads:

On 20 January 1990, the 41st founding anniversary of the LPA will be observed. This event is celebrated at a time when the entire Lao party, Army, and people are joyously competing with one another in implementing the resolutions adopted at the 4th party congress, especially the 5th, 6th, 7th, and 8th resolutions.

To correctly and perfectly organize the celebration of the event, the Army General Political Department has issued instructions to all of the Lao people's armed forces throughout the country to pay attention to executing the following tasks:

I. Objective and Expectation

1. To encourage all cadres, party members, and combatants throughout the Army to profoundly appreciate the traditions of the Army and local armed units; to enhance their pride and (?determination) so that all of them will have faith and confidence in the party's leadership and military line and in their own victories and revolutionary strength.

2. To take the opportunity of the celebration of the occasion to mobilize the Lao people's armed forces to fulfill all duties in building and consolidating their own forces to become comprehensive strong units, in fighting to smash the multifaceted destructive and subversive schemes of the enemies, in turning to the grass-roots level, in building the economy, and in improving the welfare and living conditions of all units so as to achieve more outstanding achievements to welcome the historical days in 1990.

II. Contents of the Celebration

1. Each unit is instructed to review its plan in organizing the implementation of the various resolutions, instructions, and guidance documents issued by the higher level. Those tasks which have not yet been implemented must be expeditiously executed. And those tasks which are now being implemented must be fulfilled before the celebration of the festive day arrives. All units must organize sessions to profoundly study and appreciate the Army traditions as well as the traditions of the local armed units with a view to firmly and rapidly effecting changes within each unit. At the same time, efforts must be made to resolve any remaining weak points of all units. Emulation campaigns must be enthusiastically promoted among units to score achievements to welcome the 20 January 1990 day and the four historical anniversaries [in 1990] with concrete successes commensurate with the conditions in each unit. Individual persons with outstanding achievements must be selected for commendation by the higher levels.

The list of names of the first-class category of outstanding persons must be submitted to the Army General Political Department for commendation. As for the second- and third-class categories, they will receive commendation in place by their own unit commanders. After that, the emulation campaigns will be further promoted. All units, offices, and organizations are encouraged to clean their premises, clubs, barracks, Army traditions museums, and display halls and to decorate them in a solemn tone so that they will be admired by all cadres, combatants, and multiethnic people. (?Cemeteries) of the (?deceased) revolutionary cadres and combatants located near each unit must be repaired and decorated. Visits must be paid to local people and administrations to hear their comments and criticism and to clear up any existing misunderstanding to incessantly improve the relationship and unity between the Army and local people.

2. Contents of Slogans

Long live the 20 January spirit!
Wholeheartedly hail the 41st birthday of the LPA!
Resolutely and persistently implement and translate into reality the resolutions adopted at the 4th party congress!
Hold aloft a sense of revolutionary vigilance and resolutely smash the multifaceted subversive schemes of the enemies!
Let us successfully build comprehensive, strong grassroots units!
Increase the internal unity, the unity between the Army and people, and international solidarity!
Long live the Lao People's Revolutionary Party!
Long live the Lao People's Democratic Republic!

3. Form of the Organizing of Implementation

The celebration of the LPA founding anniversary this year will be organized in a routine manner. We only put an emphasis on the contents of the celebration. As for the form of celebration, only meetings will be organized at each unit [words indistinct] A brief history of the Army traditions, statements of unit commanders, and reports reviewing achievements of each unit will be read at such meetings, including reports on each unit's missions and its immediate tasks. Emulation campaigns and (?photo contests) can be organized within each unit. All units are allowed to stop work on 20 January 1990 to participate in the celebration. Other activities must be carried out either before or after the occasion. Soldiers must be taken to visit museums and other historical sites on the day in order to give them education on the importance of the occasion.

Attention must be paid to preventing any untoward incidents with regard to our security work. Extravagant feasts and festive parties are totally prohibited. The celebration must be (?finished) within the day and must not drag on indefinitely. Postponement of the celebration can be done only when it is necessary to perform other urgent duties [on that day].

After receiving this instruction, the party committees and commanding committees at all levels must thoroughly study it for the correct organizing of the implementation. Should any problems arise, they must be reported to the higher level for advice. After the celebration of the occasion, reports must be submitted to the higher level.

[Dated] 1 January 1990
[Signed] Major General Osakan Thammatheva, the Army General Political Department

Philippines

Students Hold Peaceful Rally at U.S. Embassy

HK1101091190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 11 Jan 90

[By Jennifer Postigo of Mobile Unit No 18]

[Text] In Manila, after several months of silence, student groups under the League of Filipino Students [LFS] have become active again. They have just finished demonstrating in front of the U.S. Embassy. The demonstration was peaceful, and Western Police District officials, led by Station 5 commander Police Major Pacifico Villalino, allowed them to hold the protest in front of the U.S. Embassy. The LFS criticized the Aquino government for allowing the U.S. military bases to stay. They are demanding, as they have continually been doing, the removal of these facilities.

The students are from various schools in the university area. They say they will keep on returning to the U.S. Embassy to reiterate their request to our government. The rally was short and the students dispersed peacefully, saying they will be back again.

Constabulary Deploys Forces Around Air Base

HK1001024390 Manila PHILIPPINE DAILY GLOBE in English 10 Jan 90 p 7

[By correspondent Chandler Ramas 111]

[Text] San Fernando, Pampanga—Constabulary forces in Pampanga have been deployed in areas in the province, especially around Clark Air Base, "to protect Filipino and American lives" following the confirmation of military officials here that New People's Army rebels were mounting a "fullscale summer offensive."

Lt. Col. Efren Fernandez, Pampanga PC [Philippine Constabulary] commander, said that "desperate" communist guerrillas were planning to liquidate local officials and U.S. Quad Patrols off-base to make up for losses they suffered last year. Fernandez however assured that the PC was "ready for any contingencies."

Fernandez also belied the Angeles City-based NPA [New People's Army]-Mariano Garcia Brigade's (MGB) claims of having strengthened their ranks with fresh recruits, saying the NPA faces recruitment difficulties.

He said that part of the rebels' summer offensive was the slaying of Mexico town Mayor Javier A. Hizon last January 5.

"This is aimed at gaining control of lost areas," Fernandez said, referring to towns like Mexico where he said 14 barangays have been liberated last year from NPA influence by the military.

Pampanga is now also the "laboratory area" of the NPA, Fernandez added, with well-trained communist guerrillas deployed in this province "to experiment" on NPA tactics.

The NPA offensive, which reportedly includes, assassinations, harassment and liquidation of government executives, would be met with a PC offensive, Fernandez said.

But NPA-MGB spokesman Ariel Miranda who earlier confirmed the NPA's summer offensive belittled Fernandez's announcement.

Miranda said that the PC would not find its match with the NPA "since they (the PC) are the weaker enemies."

"We will concentrate on fighting with the Army's 69th Infantry Battalion (now deloyed all over Pampanga) since they are the well-trained government force," Miranda said.

Office Says U.S. Not Honoring Bases Accord

HK1101054590 Manila THE MANILA CHRONICLE in English 11 Jan 90 pp 1, 9

[By staff member Chay Florentino]

[Text] The Philippines appears to have gotten the raw end in the 1988 bases negotiations as indicated by the "less-than-best efforts" exerted by Washington in implementing compensation-related provisions of the agreement, a ranking official at the foreign office said yesterday.

To underscore the urgency of the Philippine request that the U.S. honor its commitments, Foreign Secretary Raul Manglapus is sending a note verbale to the U.S. embassy this week. The note lists the items which require money and identifies the Government's areas of concern.

Earlier, Manglapus told a press conference he was sending a letter to U.S. Secretary of State James Baker to express the Philippine Government's "disappointment" over the failure of the U.S. Congress to include in the 1990 Defense Appropriations Act a waiver exempting the Philippines from the Berry Amendment which obliges U.S. bases overseas to purchase only U.S.-made goods.

The waiver would have enabled local products to make their way into other U.S. bases in the Pacific, thereby increasing the country's foreign exchange reserves.

Sources said the letter was to be handcarried late yesterday afternoon by Philippine Ambassador to the U.S. Emmanuel Pelaez to the U.S. embassy.

Sources also said the note verbale would list as the Government's areas of concern covering fiscal years 1990 and 1991 the following:

—The absence of legislation that would allow Washington to forgive the repayment of $29.5 million in unused Foreign Military Sales credits extended to the Philippines.
—The U.S. position that the $4 million intended to beef up security at the bases would be taken from the Military Assistance Program (MAP) grant, as against the Philippine understanding that this would be "over and above" the said grant. The accord provides for a grant of $400 million.
—The U.S. stand that the $5 million intended for the relocation of squatters around the bases would be obtained from the $320 million allocation for the Economic Support Fund [ESF]. The Philippine Government also understood the amount would be over and above the money appropriated for the ESF.
—The delivery of Housing Investment Guarantees amounting to $50 million.
—The delivery of Development Assistance and Food Aid amounting to $192 million which should all be in grants as promised in the agreement.

The U.S. has included in the 4192 million figure quantified aid already given to non-government organizations.

Food aid is provided for under U.S. Public Law 480 which allows the U.S. to sell surplus farm products such as wheat, milk and flour to developing countries either on a low-interest loan or a grant basis.

When asked whether the Americans had tried to pull one over Filipino officials in the negotiations, the source said, "We assume good faith. There has to be trust in any negotiation."

The official also said the Government's important concerns involve money especially after the last coup attempt.

Echoing Manglapus' concern expressed earlier, the official said the Americans "took less-than-best effort. Our understanding is that they will exhaust all channels, but no legislation was sought, no bill was filed in Congress." This, despite the Philippines having allies in the U.S. Congress, the source added.

While before countries hosting U.S. bases were assured of funding due to amounts earmarked for them in congressional appropriations, nothing was earmarked for the Philippines for fiscal year 1990.

The official said the only hope for the Philippines to be assured of assistance is for the State Department to include the country in its supplemental budget request.

Unused aid money would be appropriated among countries included in the request.

Manglapus told Baker in his letter that despite the Government's disappointment, he hoped the U.S. would be able to remedy the situation if only to prove that Washington stands by its commitments made in the bases accord.

Aquino Urges Need for Bases Conversion Program

HK1001025290 Manila THE MANILA CHRONICLE in English 10 Jan 90 pp 1, 6

[By staff members Lito Zulueta and Chay Florentino]

[Text] President Aquino yesterday stressed the need to find alternative uses for the American military bases here due to the democratic movement in Eastern Europe and improved relations between the U.S. and the Soviet Union.

This developed as Foreign Secretary Raul Manglapus said he would write his U.S. counterpart, Secretary of State James Baker, to express the Aquino Government's concern over the "slow implementation" of the 1988 memorandum of agreement on the bases.

The twin developments virtually set the tone for the coming talks on the future of U.S. military facilities here after 1991. The President had earlier said she wanted the talks to begin in March or April.

During a meeting in Malacanang, Mrs Aquino told the Joint Executive Legislative Bases Council on the immediate need to be ready with the bases conversion program, according to Dr. Jose Abueva.

Abueva, council chairman and also University of the Philippines president, said that the President "is fully aware of the rapidly changing world situation, what is happening in Eastern Europe and detente between the two superpowers."

As such, Abueva said the President foresaw a lesser need for the superpowers to maintain military facilities worldwide.

Meanwhile, Manglapus told a press conference that the letter "will focus on our concern about the appropriated amount of $481 million which we hope will not be affected by the reductions of U.S. foreign assistance."

He added the Aquino government was also "disappointed" by the White House failure to exempt the Philippines from the effects of the so-called Berry Amendment approved by the U.S. Congress.

The amendment requires U.S. military facilities abroad to purchase only American-made goods.

Manglapus singled out appropriations and non-exemption from the Berry Amendment as the major issues of concern on the bases memorandum of agreement.

He also said the committee tasked with ensuring the implementation of the agreement found "several items" on which Washington should be pressed for immediate action.

Under the 1988 bases agreement signed by Manglapus and then U.S. Secretary of State George Shultz, Washington pledged to work for an exemption so that Philippine products could make their way into U.S. bases in Japan, South Korea and Diego Garcia.

The agreement also provided for $962 million in security, development and commodity assistance as well as housing investment guarantees for the fiscal years 1990 and 1991.

Manglapus reminded Washington that the U.S. pledge, made on a "best efforts" basis, was a "solemn" commitment of then U.S. President Reagan which should be "fought for by the Executive department within the House of Congress."

Manglapus also said: "It's a question of priorities. I don't think it can be said that the U.S. lacks the funds. It is true that they have reduced appropriations, but there is still enough left over for the commitments to the Philippines to be honored."

Citing reductions in the U.S. budget, he expressed concern about the American commitment not gaining the "proper priority in the distribution of the remainder of the money."

When contacted for comment, U.S. embassy spokesman Jerry Huchel said they would rather "wait for the letter through whatever channel it is sent."

When asked whether the non-compliance by the U.S. with the agreement would damage chances of a new treaty being concluded after 1991, Manglapus said that, "Certainly, this is something we cannot ignore in arriving at our decision." But he added this was not meant as a threat by the Philippines.

In his letter to Baker which would be sent within the week, Manglapus said he would express the hope that U.S. action would be "speeded up" because exploratory talks are to begin shortly.

President Aquino earlier said preliminary talks would begin in either March or April this year but Manglapus claimed he had no knowledge of such dates being set.

The Americans have yet to make their own proposals on the issue.

Manglapus said a "reasonable amount of preparation" was necessary, adding that the committee would have to review and assess the situation.

Only after can the committee draw a "reasonable basis" for setting a new date for the talks, he said.

In Malacanang, Abueva said that the council members had agreed in principle on the transfer of the military camps in Metro Manila to the bases' sites.

He said the council will soon sign contracts with a consortium of 22 top Filipino consultancy firms to do feasibility studies on the conversion proposals.

Among the alternative programs eyed for the bases include the conversion of Clark into a civil aviation complex that will be an alternative terminal to the Ninoy Aquino International Airport in Manila, and the transformation of Subic to a facility for dry-docking and ship repairs.

So far, Abueva said, the council has identified 10 likely conversion projects whose feasibilities will have to be determined.

Abueva assured that the consultancy firms will be paid "reasonable, non-commercial and patriotic rates" for the work.

The council will hold this noon its seventh meeting at the UP [University of the Philippines] Administration Building, Abueva said.

Aquino Allegedly Orders Takeover of Airfields

HK1001101390 Manila PHILIPPINE DAILY INQUIRER in English 7 Jan 90 pp 1, 14

[By Victor C. Agustin]

[Text] President Aquino has ordered the takeover of private airfields and the investigation of "certain privately owned aircraft" believed to have been used during the failed December coup.

The order issued last Dec. 27 is contained in a little-known National Emergency Memorandum Order No. 1, a copy of which was obtained by the Inquirer.

Meanwhile, the Constabulary offered a P1-million reward for information leading to the arrest of coup leaders Navy Commander Jaime Lucas and dismissed 2nd Lt. Andy Gauran.

In a related development, the PC [Philippine Constabulary] and the Bureau of Customs are organizing a joint investigating body to look into reports that smugglers cooperated with the coup plotters.

In the first memorandum ordeer she issued after declaring a state of national emergency on Dec. 6, Ms. Aquino said: "The Air Transporation Office [ATO] is hereby directed to temporarily take over or direct the operation of all private air transportation landing fields, strips and facilities, and investigate the involvement of certain privately-owned aircraft, their owners and pilots in the 1989 mutiny and rebellion and, with due notice, to suspend their operations pending the investigation."

She also directed the military to assist the ATO in initiating seizure proceedings "for the purpose of preventing the use of these facilities and aircraft in the furtherance of mutiny and rebellion, consistent with the declared national policy."

There are 128 registered airstrips in the country and at least 5,000 registered private commercial pilots. Most private airports are owned by multinational business corporations or former cronies of the late President Ferdinand Marcos with big business companies.

It was not known if the order has been carried out. Like the subsequent national emergency orders, the memorandum was supposed to take effect two days after publication in at least two national newspapers.

Presidential Spokesman Adolfo Azcuna confirmed the authenticity of the order, but said he was not sure if it had been published.

He said he could not say if any private airport or plane had been seized by the government or any private pilot had been questioned in implementation of the President's order.

Last week, Defense Undersecretary Leonardo Quisumbing said foreigners gave rebel soldiers money and firearms for the coup.

Quisumbing said a Department of National Defense committee investigating the coup was pursuing several leads linking foreigners to the plot to topple the administration of Ms. Aquino. Agents have been sent to Cagayan Valley and Bacolod City to pursue the leads, he said.

To investigate possible links between smugglers and coup plotters, Constabulary agents would be assigned to the Bureau of Customs, a source told the INQUIRER yesterday.

The intelligence agents would be working in a "liaison office" that would be created under a memorandum of agreement to be signed soon by Maj. Gen. Ramon Montano, PC chief, and Customs Commissioner Salvador Mison, the source said.

"There is still no government investigation agency tracing or investigating the possibility that illegal importers have links with groups undermining national security," said the source, who asked not to be identified.

The setting up of the liaison office was reportedly proposed by Brig. Gen. Rodolfo Biazon, chief of the NCRDC [National Capital Region Defense Command], following reports of rampant smuggling of firearms through the Ninoy Aquino International Airport and various ports in the country.

Hundreds of firearms, including those allegedly smuggled by Nueva Ecija Rep. Nicanor de Guzman Jr, were seized last year by customs agents at the NAIA [Ninoy Aquino International Airport] and at the South Harbor.

But several other shipments of guns and ammunition are believed to have passed through the ports, especially through the South Harbor where facilities are inadequate to check gunrunning.

Aquino Specifies Eight Priority Focus Areas

HK1101054190 Manila PHILIPPINE DAILY GLOBE in English 11 Jan 90 pp 1, 8

[By staff writer David Jude Sta. Ana]

[Text] With only 800 days left in her term, President Aquino specified yesterday eight priority areas on which all government agencies will focus their efforts to enable her administration to meet its economic recovery targets.

Mrs. Aquino also directed all department secretaries to submit to her by January 24 proposals for projects that would alleviate poverty and hasten economic growth.

She identified the government's eight priorities in a memorandum she gave to all Cabinet members during their regular meeting yesterday.

The eight are rice and corn production; the implementation of the land reform program; construction and improvement of roads, schoolbuildings, barangay water wells and other public works facilities; the improvement of land, sea and air transportation; power service to support the countryside agro-industrial development; education, health and welfare services; telecommunications services; and the "special urban problems" of mass transportation, traffic management, garbage disposal and low-cost housing.

To the eight priorities, Mrs. Aquino added 14 goals that the government must meet. These are improved peace and order through more effective law enforcement, speedier administration of justice, a more efficient bureaucracy through decentralization, better revenue collection, practical and effective trade and investment policy, increased exports and tourist receipts, preservation of industrial peace, accelerated reforestation and environmental protection, greater use of job-related commercial technologies, better management of domestic debts, consolidation of the military and closer civilian-military cooperation, more constructive and productive relations among the three branches of government, greater involvement of nongovernmental organizations and the citizens in government programs, and more effective information and communications program.

Meanwhile, the President said she was confident that the country can still post a 6-percent economic growth this year despite the recent coup attempt.

She also said that the government has taken decisive action following the putsch to show that it is in control of the situation.

In the first meeting of the National Economic and Development Authority (NEDA) board held at Malacanang yesterday, Mrs. Aquino said the government has sent the "correct signals" to the public to prove that it is determined to safeguard national stability.

A report released to newsmen after the NEDA meeting quoted Mrs. Aquino as saying that the "government's decisive response after the failed coup attempt, including the imposition of price control, the action (taken) against the coup plotters and the Cabinet revamp, would have already sent the correct signals to the general public and to various sectors concerning political will and stability."

The NEDA reported that the quarterly growth rates for the gross national product were 6 percent, 6.2 percent, 5.5 percent and 4.6 percent for 1989.

The agency had earlier reported that the government had to revise its growth targets following the December coup attempt and admitted that the economy could at best post a 5.8 to 6 percent growth for this year.

Former NEDA Director General Jesus Estanislao said, however, that the government can expand the growth rate to 7 percent if the proper remedial measures are taken to address the effects of the putsch.

Economic planners noted that the 5.5 percent growth rate for the third quarter of 1989 was much higher than the initial estimate of 5 percent, thereby suggesting the possibility of a higher final figure for GNP growth in the last quarter of 1989.

Taking into account adjustments, the NEDA said the GNP growth for 1989 may reach 5.7 percent, adding that the economy would have grown more if not for the higher than expected inflation rate.

In a related development, Mrs. Aquino directed the newly designated presidential coordinating secretaries to meet with the department secretaries within their respective areas of concern on the project proposals that the latter would present.

She directed Executive Secretary Catalino Macaraig Jr., presidential coordinating secretary for political and security matters, Vicente Jayme and Jose de Jesus, coordinating secretaries for finance and human resources, respectively, to assist department secretries "in fleshing out their prospective targets.

The three will also determine how Malacanang can best support projects and efforts of the department secretaries.

Aquino Warns of Possibility of Another Coup

HK0901103390 Manila Radio Veritas in Tagalog 0900 GMT 9 Jan 90

[Report by Gabby Concepcion]

[Text] President Corazon Aquino has warned that the possibility of another coup remains until all the rebels

are captured and punished. Aquino admitted this in her speech on the 89th anniversary of the Western Police District. She praised the police and the military who supported the government and the Constitution in crushing the coup d'etat last month. She dismissed reports about a certain people power movement comprised of priests, nuns, government officials, and civilians who supported the coup, saying such claims are groundless. She also said she would soon announce new officials to head the Labor Department and the National Economic Development Authority [NEDA]. Here is Aquino's statement, read by Press Undersecretary Felix Bautista:

[Begin recording in English] A small portion of our Armed Forces staged the coup attempt last December. The vast majority of our soldiers and men in uniform stayed true to our democratic government and their sacred oath to uphold the Constitution.

There is no basis to the claim that a people power movement led by priests, nuns, government officials, and civilians supported the coup, as we all saw people roundly condemn the naked attempt to grab power.

There is no need to be alarmed at what they say about our SWAT police teams being trained to use more high-powered weapons. It is all part of the need to upgrade the spirit of our peace officers.

I shall announce at the proper time the permanent appointments for DOLE [Department of Labor and Employment] and NEDA director general. For the present, the acting appointees are in charge and carrying out their functions appropriately. [end recording]

Aquino Comments on Autonomy of Cordilleras

HK1101094190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 11 Jan 90

[Report by Vic Pambuan]

[Text] A meeting was held today between President Aquino and Cordilleras representatives, in which the latter expressed their strong support for the government's move to grant autonomy to the region. This was stated by Senator Leticia Ramos Shahani to newsmen after the president's meeting with the governors, mayors, and board members of the Cordillera region.

In an interview with Shahani, she said that Father Conrado Balweg's group has been conducting a no vote campaign regarding the upcoming autonomy plebiscite in the region, but added that the government has been conducting an information campaign for a yes vote since December.

Meanwhile, in the same meeting, the president said she has ordered Armed Forces Chief of Staff General Renato S de Villa to disarm, if necessary, any of Father Balweg's men who use violence in campaigning for a no vote. Here is President Aquino's statement:

[Begin recording in English] It was also mentioned earlier that there was a concern about Father Balweg's armed men going around and joining him in his campaign. This one is also reported to me by General De Villa; in fact, he had already sent words to Father Balweg that this cannot be done and his men will be disarmed if they continue to do so. I would appreciate very much if you would send telegrams to General De Villa if you see any of Father Balweg's men still continuing carrying firearms during the campaign period. But he is well aware of this, and in fact, I've sent a notice to Father Balweg not to continue doing this.

May I thank the president of the LDP [Struggle of Philippine Democrats] for the continued support of the LDP to me, and it's good to know that I will never be alone and that... [end recording]

Foreign Affairs Meeting With SRV Set for Mar

HK1101032590 Quezon City Radyo ng Bayan in Tagalog 0300 GMT 11 Jan 90

[Text] The Philippines and Vietnam will hold a meeting in March that would strengthen ties as stipulated in a joint communique signed by Foreign Affairs Minister Raul Manglapus and Vietnamese Foreign Minister Nguyen Co Thach. Foreign affairs undersecretaries of both countries will participate in the meeting, which will be held in Manila. Topics for the agenda are the Cambodian issue, trade between the Philippines and Vietnam, and the Indo-Chinese refugees.

Rebellion Charges Against Civilians Recommended

HK1001120590 Quezon City Sports Radio 738 in English 1100 GMT 10 Jan 90

[Text] The National Bureau of Investigation [NBI] today recommended the filing of rebellion charges against five more civilians for their alleged involvement in the failed December coup. The recommendation was forwarded by NBI director Alfredo Lim to the Justice Department. In his endorsement letter, Lim identified the five civilians as former assemblyman Rafael Recto, Red Kapunan, Cecilio Arillo, Lito Gorospe, and Jack Rodriguez. The endorsement was received by senior state prosecutor Aurelio Trampe, who will evaluate the documents sumbitted by Lim. According to Trampe, Lim's recommendation was based on the bureau's investigation conducted on the failed coup, and testimonies of six witnesses. He said he will still evaluate the evidence gathered and will ask the witnesses to come to the Justice Department to affirm their sworn statements given to the NBI.

[Begin Trampe recording in English] It is [words indistinct] because we have not seen the affiants. We would like to interview the affiants, let them reaffirm their sworn statements before we could act on it. [sentence as heard] [end recording]

Aquino Defends Action

HK1101105990 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 11 Jan 90

[Text] President Corazon Aquino has stressed that the filing of rebellion charges against five civilians is not political harassment, saying that the recommendation to file charges against the civilians, led by Rafael Recto, was in connection with their involvement in the failed coup. Here is the president's statement, read by Presidential Spokesman Adolfo Azcuna:

[Begin recording in English] The National Bureau of Investigation has recommended the filing of rebellion charges under Article 134 of the revised Penal Code against Rafael Recto and four others for participation in the takeover of PTV [People's Television] on the first day of the failed coup last December.

This is not a case of political harassment as some opposition members claimed. There is probable cause based on competent evidence. I reiterate the assurance of due process and constitutional rights to all accused. [end recording]

Ramos Comments on Cagayan Governor Suspension

HK1101055390 Manila PHILIPPINE DAILY INQUIRER in English 11 Jan 90 pp 1, 10

[By Beth Pango]

[Text] Defense Secretary Fidel V. Ramos yesterday said he would not rule out the use of force to implement the suspension of Cagayan Gov Rodolfo Aguinaldo.

Aguinaldo, however, appeared to have succeeded in deferring his ouster legally, when Judge Plaridel Villacete of the Regional Trial Court in Tugucgarao issued an order restraining the Department of Local Government [DLG] from enforcing the suspension for 20 days.

"Let the official (Aguinaldo)... show he believes in due process," Ramos told reporters. "But if he does something outside the regulations and the requirements under the law, that's something else."

Aguinaldo was meted out a 60-day "preventive suspension" by the DLG for allegedly giving "aid and comfort" to mutinous soldiers during the December coup attempt.

But Aguinaldo has vowed to stay in office, saying the order issued by Secretary Luis Santos was illegal.

Ramos on Tuesday ordered the military in Cagayan Valley and Northern Luzon to help the DLG enforce the order.

"The military and its reinforcements in RECOM [Regional Command] 2 can take action under the umbrella of this order," Ramos said yesterday.

In Tuguegarao, Aguinaldo's supporters protested the suspension order and threatened to hold mass actions if it were enforced.

Tension rose yesterday as the supporters, mostly local officials and soldiers, said they would defend Aguinaldo's right to keep his post.

"Maski ngayon, sabihin lang niya kung ano ang gagawin at sasama kami," [even now, he can say what has to be done, and we will comply] said Lallo Vice Mayor Orlando Baingan.

Aguinaldo's supporters met at Callao, about 20 kilometers north of the capital, to draft a resolution supporting the governor.

Luis Obispo, president of the Federation of Barangay Councils of Cagayan, said many barangay leaders support Aguinaldo. "We will stage demonstrations once they suspend him," he said.

In the meeting attended by some 100 barangay chairmen and councilmen, Aguinaldo said: "Hindi ko kayo pinipilit na samahan ako, o sumama sa akin sa kamatayan. Pero, sabihin nyo lang sa akin na tama ako at ipaglalaban ko kayo hanggang kamatayan ko." [I am not forcing you to join me, or join me until death. But if you say I am right, I will fight for you until death.]

Bugey Mayor Licerio Antiporda, president of the Cagayan Mayors League, said a majority of the province's 29 mayors supported Aguinaldo.

But Tugugarao Mayor Delfin Ting said only five are loyal to the governor.

"The real sentiment of the people here is for his ouster," said Ting. "The people want him out because he is destroying the province. Ha has been fighting everybody, calling all of us magnanakaw (thieves)."

Aguinaldo yesterday continued to discharge his functions at the provincial capitol although Santos has appointed Vice Gov Marvin Vargas as acting governor.

Cesar Melegrito, DLG director for Cagayan Valley, again failed to serve the supension order on Aguinaldo yesterday.

Melegrito, who arrived 30 minutes after Aguinaldo left the office late yesterday afternoon, said he could not serve the order since the governor was not around to personally accept it.

"My function is only to serve this order but I cannot do anything. I am just a sergeant," said Melegrito as he walked out of Aguinaldo's office at about 5:30 p.m.

"I will notify Manila that I was not able to serve the order," Melegrito said.

Aguinaldo earlier told the INQUIRER he would not accept the suspension order since it was illegal.

One of Aguinaldo's aides told Melegrito it was futile to wait since the governor "will not accept that order anyway."

Melegrito said he tried to reach Aguinaldo the whole day Tuesday without success.

NPA Leader Surrenders to Constabulary in Davao

HK1001085990 Manila MANILA BULLETIN in English 10 Jan 90 p 8

[Text] Davao City—A leader of the New People's Army (NPA) Sparrow Unit operating in this city has surrendered to the visiting team of the PC/INP [Philippine Constabulary-Integrated National Police] Inspector General Service headed by Brig. Gen. Carlos F. Malana, PC/INP inspector general, concurrently deputy chief of Philippine Constabulary.

Arturo Palacio, alias "Ka [Comrade] Tur," yielded to Malana who was in Davao for the last leg of his annual general inspection of various PC/INP units nationwide, including regional commands.

The Sparrow leader was accompanied to Malana by Rizal Ilagan, a rebel-turned "Alsa Masa" [People's Uprising] organizer who gave up last year to the Davao metropolitan District Command [Metro Discom] headed by Lt. Col. Franco M. Galida.

When asked why he chose to surrender to Malana, "Ka Tur" said he came to know the PC/INP inspector general as a "very compassionate man in uniform" compared to others who are not only arrogant and divisive but also "consistent violators of human rights."

During the surrender ceremonies attended by his former comrades numbering around 30 and several Metrodiscom officers, Palacio presented his cal. 38 revolver and several subversive documents to Malana and the Inspector General Service team.

The Sparrow group laid down two conditions for their surrender: 1) amnesty for the crimes they committed, 2) financial aid for livelihood projects they would want to enter into once released from military custody.

Calida did not say whether the conditions laid down by the Sparrow hitmen were met or whether a compromise regarding their surrender were ironed out by the Metrodiscom.

NPA Letter Apologizes for Killing Policemen

HK1001085390 Manila PHILIPPINE DAILY INQUIRER in English 10 Jan 90 p 19

[By Joel J. Jabai]

[Text] Bongabong, Oriental Mindoro—The New People's Army (NPA) here, in a letter addressed to the "families and relatives" of seven policemen slain here recently, has apologized for the death of the lawmen.

"Hindi tinatakasan ng komand na ito ang responsibilidad sa pangyayari [This command is not running away from its responsibility over this incident]," said the one-page letter from the "Lucio de Guzman Command-NPA Mindoro." Kami man ay may bahid na kalungkutang nararamdaman dahil ang mga nasawi sa inilunsad na operasyong militar ay mga pulis [We also feel sad that policemen had to die in this operation launched against the military]."

The seven lawmen—Sergeants Rudy C. Guerra and Basilio Matibag, Patrolmen First Class Napoleon Pastor, Robinson Alba and Ethelmer Galvey and Patrolmen Gregorio Perez and Constante Moster—were returning to their station after investigating a shooting incident when waylaid by the rebels last Nov. 13 in Sitio Balugbog Baboy, Barangay Formon, this town. The fatalities, all of them family men, were members of this town's police force.

The rebels claimed the policemen were in civilian clothes and were carrying high-powered rifles when ambushed. The rebels said that as a result it has become difficult for them to identify the policemen from regular Constabulary or Army troops.

"Sapul pa man, di itinuturing ng kilusang rebolusyunaryo ang mga pulis bilang kombatant sa kasalukuyang gerang sibil [The revolutionary movement never considered the police as combatants in the current civil war]," said the letter, a copy of which was given to the INQUIRER by a close friend of the slain policemen. "...ang nangyaring ambus ay resulta ng mga pangyayaring idinidikta ng kalagayang lumampas sa kapasidad ng mga puwersang gerilya [The ambush was the result of incidents that were beyond the control of the guerrilla forces]..."

The rebels blamed the "U.S.-Aquino regime" for transforming, little by little, the police force into a counter-insurgency instrument. According to the rebels, this "new role" of the police makes it hard for them to avoid policemen, especially if they are active in or joining military operations, during rebel attacks.

They said they are calling the members of the police force to refrain from joining military operations and carrying high-powered rifles and are reminding them to always wear their uniforms.

The rebels, in a postscript said they were returning the wallets and money of the dead policemen and claimed they did not take away a single piece of jewelry from them.

They apologized, however, that they could not return the watches, since these, according to them, are military items.

First Attack by Rebels in Ilocos Region Reported

HK1001064190 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 10 Jan 90

[Text] Police authorities were unable to ward off a communist rebel attack on a municipal building in the mountainous town of Burgos in Ilocos Sur. According to

the report received by the military today, the raid occurred at 2300 Saturday [6 January] and lasted until 2000 the next day, as the rebels retreated with their wounded comrades. This was the first attack in the entire Ilocos region this year. Six policemen and four unarmed municipal personnel defended the government side.

Displacement Caused by Conflict Increasing

HK1001100390 Manila THE MANILA TIMES in English 8 Jan 90 p 2

[By Raymond Burgos]

[Text] June 12, 1989, Kalinga-Apayao. About 400 families from Barrios Dupag, Bagumbayan, Naneng, Dau, Tabuk and Pasil were forced to evacuate to safer places due to continuous bombings and strafing by the military.

—Aug. 7, Eastern Samar-Military operations in Barrios Llorente, Balangkayan and Dolores caused the evacuation of 317 families.

—Sept. 5, Agusan del Sur. Continuous bombings and fire-fighting between the military and New People's Army [NPA] forced 630 families in four barrios and a town to flee for safety.

These are only three of the total 105 cases of displacement in 32 provinces last year, affecting some 18,030 families and 1,370 individuals, according to a yearend report of the Ecumenical Commission for Displaced Families and Communities [ECDFC].

The ECDFC is a non-governmental, non-profit organization tasked to provide assistance to "internal refugees" or Filipinos dislocated due to man-made disasters like military-rebel clashes and military-rebel operations.

The ECDFC report, however, says that actual statistics might be higher since an undetermined number of internal refugees in Davao del Norte, Misamis Oriental, Surigao del Norte and Zamboanga were not included in the list, pending confirmation.

Higher Figures

Statistics from other NGOs [nongovernmental organizations] having the same orientation revealed higher numbers of internal refugees.

The Citizen's Disaster Rehabilitation Center documented 136 cases of displacement, involving 24,170 families, while the Coordinating Body for Displaced Families listed 21,550 displaced families. The data covered the period January-September only.

In 1988, the ECDFC documented 73 displacement cases, involving 14,610 families and some 5,400 individuals in 31 provinces.

In its latest report, the ECDFC notes that Mindanao had the highest incidence of displacement—a total of 61 cases or 58 percent, involving 10,620 families.

However, it is in Negros Occidental were the most number of displaced families are found with a total of 4,319, closely followed by Davao del Sur with 4,100 families.

Precipitating Factors

Topping the list of precipitating factors for the increasing number of displacement cases is military operations, responsible for almost 50 percent of the cases that occurred last year, the ECDFC said.

Military operations following armed encounters between the AFP [Armed Forces of the Philippines] and rebels account for 20 cases, while armed encounters between AFP and paramilitary units, on the one hand, and the New People's Army—Moro National Liberation Front, on the other, 14 displacements.

The report mentions only three cases of displacement brought about by NPA operations as well as fear of NPAs.

Sr. Constance Pacis, ECDFC executive director, defines displacement as "the forced transfer of people from villages or areas of residence to other areas due to factors or conditions existing in the former which make it very difficult or even very dangerous for the people to stay there."

Pacis, ECDFC executive director, says that "such forced transfers may involve individuals, families or even communities."

"These displaced individuals, families and communities are called internal refugees for they take on the status of refugees not in other countries but in their own land," she says.

Pacis explains that displacement in the Philippines comes in two forms: forced evacuation and strategic hamletting.

"In forced evacuation, people are compelled to leave their homes because of armed conflicts and related activities. Armed conflicts may be between the government forces and rebel groups. In other areas, people evacuate on compulsion because of unexplained killings, abductions, and other forms of harassment attributed to armed groups," Pacis says.

On the other hand, strategic hamletting, "is a military program designed to counter local insurgency, where civilians in villages or barangays are relocated to centers called hamlets or population resource centers."

"Essentially, a strategic hamlet is ome kind of a settlement, which may be semi-permanent, and gives some evidence of the characteristics of a typical community, including some form of civilian and military organization."

Pacis points out that the program's main aim is "to isolate insurgents from those communities which are

identified as the insurgents' base of operation as well as of material and political support."

Adverse Effects

She notes six adverse effects of displacements:

—Deprivation not only of shelter but even of the more basic needs of food and clothing.
—Radically-decreased capacity by residents to avail of their usual means of livelihood since most of them are farmers prevented from going back to their farms to work.
—Frequent occurrence of illnesses, sometimes in epidemic proportion, due to congestion and poor sanitation.
—Disruption of normal family ties, as family members become separated from one another. The women and children are the most vulnerable to all-life threatening circumstances.
—Frequent incidence of inhuman treatment that include arbitrary arrests and detentions of suspected rebels, summary executions, arson, etc.
—Loss of property due to looting and military operations.

Rights Violation

According to the Task Force Detainees of the Philippines [TFDP] forced evacuations and hamletting violate humanitarian laws that guarantee civilians and their property security against attacks, arbitrary displacements and inhuman conditions in evacuation centers, if the dislocation is warranted for civilian safety.

The TFDP contends that the Philippine government is bound to various international agreements on the proper conduct of international war and local armed conflicts.

Protocol II of the Geneva Convention, which governs local armed conflicts, was ratified by the Aquino government on June 2, 1987, according to the TFDP.

Last year, the TFGP documented 70 cases of forced evacuations, affecting 4,894 families and 4,608 individuals in about 26 sitios and 18 barangays.

Five cases of hamletting involving 378 families and 305 individuals in three sitios and two barangays were also listed.

A TFDP yearend report projects an increase in the number of displaced families, individuals and communities this year as the government continues to implement its "total war policy" against the insurgents.

National Bank President Submits Resignation

HK1101112790 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 11 Jan 90

[From the "GMA News" program]

[Text] Philippine National Bank [PNB] President Edgardo Espiritu has handed President Aquino his irrevocable resignation. This was stated by Espiritu during his presentation of the bank's annual report. The PNB warned against several factors which could hamper the country's economic progress, such as a decrease in foreign investments and an increase in the inflation rate. Espiritu stressed he has full confidence in the Aquino government. He will leave his post after the debt negotiation. Here is PNB President Espiritu:

[Begin recording in English—in progress] ...upon request or maybe not request, but instruction of the president, I'm to make myself available for other special assignments in the future of nature similar perhaps to the debt negotiation and other assignments. [end recording]

Philippines Completes Debt Reduction Program

HK0901114190 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 9 Jan 90

[From the "GMA News" program]

[Text] President Corazon Aquino was pleased to learn that the Philippines is the first debtor country to complete its debt reduction program. This was relayed to her at a meeting with IMF officials led by managing director Richard Erb [title as heard]. Erb said that Mexico wanted to emulate the Phillipines program, adding that the completion of the debt buy-back scheme is a sign of other countries' confidence in the Philippine economy.

[Begin recording in English] You are on the track that needs to be sustained: a track of keeping your budget under control and money and credit growth under control, so that you don't have excessive inflation. And you should continue the economic reforms that are being made, so that there are more investments and more growth in employment. [end recording]

Inflation Erodes Labor Wages in Dec '89

HK0901044190 Manila BUSINESS STAR in English 9 Jan 90 p 2

["Indicator" column by Rica D. Delfinado: "14 Percent Inflation Eroded Real Wages in Dec. '89"]

[Text] Further erosions on workers' wages were effected last December when inflation in the country galloped even faster, according to the National Wages Council (NWC).

In the last month of 1989, the labor department-attached agency said, inflation hit 14.1%, the highest rate ever attained throughout the past year. November inflation was pegged at 12.7%.

Per NWC's statistics, Metro Manila [MM] workers who receive a daily minimum wage of P96.42 actually took home only P18.96 last December, based on constant 1978 prices.

Such real wage value was 2.06% lower than the P19.36 Metro Manila's workers actually pocketed last November.

The NWC attributed the shrinkage to the surge in prices of basic commodities which spiraled after the latest oil price hike.

It said the additional P25 workers obtained from Congress the middle of last year was immediately offset and rendered meaningless by the inflationary uptrends which emerged toward the end of 1989.

Non-agricultural workers in areas outside Metro Manila who received the same minimum daily wage rate as their city counterparts earned P20.55 a day in real terms last December, P0.47 less than the P21.02 real wage they got the preceding month.

The inflation rate for the month of December in areas outside Metro Manila [AOMM] was recorded at 14.4%, 2.2 percentage points higher than the 12.2% inflation rate recorded in Metro Manila.

The same was true for Metro Manila's consumer price index (CPI) which rose by 2.08% to 508.4 index points from its November level of 498.0 index points.

The CPI in areas outside Metro Manila, meanwhile, was pegged at 469.0 index points last December, 2.3% higher than November's 458.4 index points. Clearly, the wages of province-based agricultural workers in both plantation and non-plantation areas also suffered erosions in real value.

Agricultural workers in plantation areas who get paid P85.58 daily actually took home only P18.24, an amount 2.25% lesser or P0.42 than the P18.66 the same workers got in real terms the preceding month.

Non-plantation agricultural workers also suffered a decrease in their real wages, by P0.31, from P13.82 in November to P13.51 at the end of the year just past.

REAL WAGE RATES IN THE PHILIPPINES
(Based on constant 1978 prices)

	Non-Agricultural Sector		Agricultural Sector	
1989	MM	AOMM	Plantation	Non-Plan
Jan	15.25	16.25	14.03	11.30
Feb	15.07	16.58	13.99	11.27
Mar	15.17	16.59	14.00	11.28

REAL WAGE RATES IN THE PHILIPPINES
(Based on constant 1978 prices) (Continued)

	Non-Agricultural Sector		Agricultural Sector	
1989	MM	AOMM	Plantation	Non-Plan
Apr	15.02	16.52	13.94	11.22
May	14.86	16.35	13.79	11.11
Jun	14.57	16.03	13.53	10.90
Jul	20.18	22.00	19.52	14.46
Aug	19.90	21.62	19.19	14.21
Sep	19.77	21.45	19.04	14.10
Oct	19.54	21.27	18.88	13.98
Nov	19.36	21.02	18.66	13.82
Dec	18.96	20.55	18.24	13.51

Gross Value of Manufacturing Sector Increases

HK0901044990 Manila BUSINESS WORLD in English 9 Jan 90 p 2

["Indicator" column: "Gross Value Added in Manufacturing by Industry Group"]

[Text] Gross value added (GVA) in the manufacturing sector for 1989 increased 6.89% from the 1988 figure of P25,251 billion. Preliminary estimates from the National Statistical Coordinating Board placed year-end manufacturing GVA at P26.990 billion. This is a slowdown from the 8.91% rise in the 1987-88 period. With 1989 gross national product (GNP) estimated at P106,659 billion, manufacturing's contribution to the nation's total production amounts to 25.30%, a marginal rise from the 1988 figure of 24.99%.

Food manufactures still constituted the bulk of manufacturing value added, contributing a hefty P10.262 billion, representing 38.02% of the total. In comparison, the total GVA of the next four largest industry groups (electrical machinery, chemicals & chemical products, footwear wearing apparel and products of petroleum & chemical products, footwear wearing apparel and products of petroleum & coal) did not even come close, adding up to only P7.534 billion, or 27.91% of the total. The fact that the top five industry groups contributed 65.93% of gross value added shows that manufacturing concerns in the Philippines continue to be concentrated in a few basic industries.

In terms of value added growth, the transport equipment industry led all groups, surging by 39.11% to P249 million, almost quadruple its 10.49% increase during the 1987-88 period. The paper industry followed with a 32.33

increase to P307 million. Other industry groups that exhibited high percentage growth rates were non-electrical machinery (23.51%), publishing and printing (22.58%), and basic metal industries (21.60%). Strong

consumer demand, coupled with the continuing construction boom, powered these industries to their double-digit growth rates.

Out of the 20 manufacturing industry groupings, only two industries suffered contractions in their value added. These were the textile and electrical machinery subsectors, which experienced declines of -2.20% and -1.51 respectively.

Gross Value Added in Manufacturing by Industry Group

INDUSTRY/INDUSTRY GROUP	1989*	1988	1987
Food manufactures	10,262	9,995	9,446
Beverage industries	927	842	808
Tobacco manufactures	733	696	631
Textile manufactures	979	1,001	995
Footwear wearing apparel	1,795	1,557	1,412
Wood & cork products	484	458	416
Furniture & fixtures	179	155	138
Paper & paper products	307	232	187
Publishing & printing	608	496	460
Leather & leather products	93	79	67
Rubber products	362	345	305
Chemical & chemical products	1,841	1,811	1,628
Products of petroleum & coal	1,484	1,369	1,230
Non-metallic mineral products	586	488	410
Basic metal industries	1,610	1,324	1,140
Metal industries	1,065	892	804
Machinery except electrical	662	536	486
Electrical machinery	2,288	2,323	2,000
Transport equipment	249	179	162
Miscellaneous manufactures	506	473	461
GVA in manufacturing	26,990	25,251	23,186

*Preliminary estimates as of Dec. 1989
Source: Economic and Social Statistics Office, National Statistical Coordination Board

Thailand

Sitthi Holds Talks With Indonesia's Alatas

Discusses Cambodia

BK1001131590 Bangkok Domestic Service in Thai 1200 GMT 10 Jan 90

[Text] Foreign Minister Air Chief Marshal Sitthi Sawetsila granted an interview to newsmen on the settlement of the Cambodian problem. He said that Indonesian Foreign Minister Ali Alatas' arrival in Bangkok and his meeting with the Khmer factions, as well as the plan for a meeting in Paris on 15-16 January with the foreign ministers of ASEAN states and involved parties, will improve the atmosphere for holding a conference on achieving a political settlement of the Cambodian problem in the future.

Asked about the validity of the report that Cambodian forces have captured Battambang, Air Chief Marshal Sitthi said he still did not know how accurate the report was, but believed that before being able to take Battambang, the Cambodian side would have to take Sisophon. He noted, however, that the Phnom Penh side admitted coming under strong military pressures from the Cambodian side, or the resistance forces. Foreign Minister Sitthi said that this should be a reminder to all that fighting only creates losses, and that all parties should turn to each other for talks to find a political solution to the problem.

The foreign minister had a meeting this evening with Indonesian Foreign Minister Alatas at the Regent Hotel in Bangkok. The two discussed the settlement of the Cambodian problem. The meeting will be used for planning a future meeting on the Cambodian problem, which could take place in Indonesia.

Reveals PRC Visit

BK1101023190 Bangkok BANGKOK POST in English 11 Jan 90 p 6

[Text] Foreign Minister Sitthi Sawetsila said current diplomatic movements to revive negotiations provided him "a faint glimpse of hope" for peace in Cambodia.

An agreement reached at the January 15-16 meeting of deputy ministers from five permanent members of the UN Security Council in Paris will augment the ongoing move to get the four warring Cambodian factions to the negotiation table, he said.

ACM [Air Chief Marshal] Sitthi said he hoped for a positive outcome formulated as a result of a common stand among the five superpowers to lend impetus to a peaceful settlement.

The Foreign Minister also disclosed yesterday that he will visit China in March at the invitation of his Chinese counterpart Qian Qichen, and would then proceed to Eastern Europe.

ACM Sitthi yesterday exchanged views during a 90-minute discussion with Indonesian Foreign Minister Ali Alatas who leaves for Chiang Mai today to attend the Williamsburg Conference.

Mr Alatas yesterday met with Australian Deputy Foreign Secretary Michael Costello who completed the second round of his Indochina swing to sound out the four factions and Vietnam on the Australian peace proposal which called for the UN to take over the interim administration of Cambodia while elections are held.

Mr Alatas also held talks yesterday with representatives of the three Cambodian resistance factions, namely Prince Norodom Ranariddh, Khmer Rouge leader Khieu Samphan and Son Soubert of the Khmer People's National Liberation Front.

Mr Alatas said he could not provide an evaluation nor comment on prospects for a fresh round of peace talks in Jakarta because he has yet to meet the fourth faction—Phnom Penh.

Mr Alatas said he will meet Vietnamese Foreign Minister Nguyen Co Thach and most likely Phnom Penh Premier Hun Sen in Ho Chi Minh City, either on Sunday [14 January] or Monday.

Dodging questions about reactions of the three resistance factions which have lately wrestled battle gains with the Phnom Penh forces, Mr Alatas said, "I will wait for that (meeting with Hun Sen and Thach) before I can sum up the positions of the four."

"I'd still say that it is better to have a limited, informal meeting before we go to the full-fledged resumption of the Paris conference," he added.

Asked whether he had heard any response from China, Mr Alatas replied that he had the impression that China still basically maintains the attitude it assumed during the Paris conference.

Mr Alatas cast as media "conjecture" the rumour that a new round of informal talks among the four factions, ASEAN, Vietnam and Laos would take place around the third week of February.

However, resistance sources said Mr Alatas did propose the third week of February as the time for the meeting.

Mr Alatas, in the meeting with one resistance faction, said that there emerged "new ground" for discussions now that Phnom Penh and Hanoi are taking a serious view of a UN role not only in the International Control Mechanism, but also in the interim administration.

Meanwhile, Prince Ranariddh told Mr Alatas that he would attend the informal meeting in Jakarta, adding that his father Prince Norodom Sihanouk is looking forward to the resumption of the Paris conference.

Further Reportage, Comment on Ministerial Swap

Chatchai Makes Statement

BK1101070890 Bangkok Domestic Service in Thai 0530 GMT 11 Jan 90

[Text] Prime Minister General Chatchai Chunhawan answered reporters this morning at the Government House about reports that Industry Minister Police General Praman Adireksan would resign from his ministerial post. Chatchai said there is no longer a problem on this issue, since he has already clarified the issue with Police Gen Praman, and that Praman will not resign from the post.

Asked about reports on a cabinet reshuffle, the prime minister replied that there will be no reshuffle at the present time. He said everything has been going well and the government is very stable. He said an indication of government stability is the normal situation of the stock market today.

However, the prime minister expressed great concern over stock trading. He urged that stock trading be carried out in a gradual way, and that stock prices not rise or fall rapidly. He added that one should be careful of those who enter into the business without wanting to invest, aiming to gain profit only. The prime minister has instructed the Finance Ministry and Interior Ministry to closely watch the stock business and to immediately take legal action against anyone violating stock trading laws.

Chat Thai Members Comment

BK1101014790 Bangkok BANGKOK POST in English 11 Jan 90 p 1

[Text] Pol Gen [Police General] Praman Adireksan is unlikely to resign from the Cabinet following his sudden loss of the powerful position of interior minister, senior Chat Thai Party members said yesterday.

Their assurances came in the wake of speculation that Gen Praman who remained tight-lipped until yesterday might choose to quit his new Cabinet post in protest.

"You can go ahead and write that Pol Gen Praman will not resign from his new post as industry minister," his secretary Saman Phumphakanchana, said yesterday after visiting the minister at his Soi Ratchakhru residence.

Prime Minister's Office Minister Anuwat Watthanaphongsiri, a key Chat Thai member, said yesterday that it would be natural for Gen Praman to feel hurt by the sudden transfer.

But Mr Anuwat said he was confident that Gen Praman would not quit his new post.

A deputy party leader and a member of Gen Praman's faction in the Chat Thai Party, Mr Anuwat said he believed that Prime Minister Chatchai Chunhawan had satisfactorily explained to Gen Praman the need for the transfer.

Gen Chatchai had said in public that the transfer was necessary to ensure smooth coordination between the Interior Ministry and the Bangkok Metropolitan Administration which had been in conflict on several issues.

"Pol Gen Praman is one of those who helped build the Chat Thai Party with his own hands. He loves the party very much. I am confident that he will think carefully before doing anything," Mr Anuwat said.

Mr Anuwat said he believed that Gen Chatchai and Gen Praman, being relatives, would be able to clear up any misunderstanding that might exist between them.

Gen Praman is married to Khunying [honorary title] Charoen, who is the Premier's elder sister.

Both Gen Praman and former industry minister Banhan Sinlapa-acha who was appointed to replace him were granted an audience with His Majesty the King yesterday to take their oaths of office before assuming their new posts.

They were accompanied by Gen Chatchai.

After the ceremony, Gen Chatchai accompanied Gen Praman to the latter's residence and talked with his brother-in-law for about 15 minutes.

Chat Thai spokesman Prathuang Wichanpricha said Gen Chatchai also asked Khunying Charoen if she was still angry with him.

Mr Prathuang quoted Khunying Charoen as telling the Prime Minister that at first she intended to meet him in person to protest against the transfer, but since Gen Chatchai had already mentioned it she had nothing to complain.

Sources close to Gen Praman said he was very upset on Tuesday [9 January] with the order for him to swap posts with Mr Banhan.

Gen Praman hid himself in his residence all through Tuesday evening and refused to talk to reporters until yesterday.

The minister's silence sparked speculation that he might resign, but this was denied last night by Deputy Interior Minister Sano Thianthong, another Chat Thai deputy leader who is also in Gen Praman's camp.

Parties React

BK1101012390 Bangkok THE NATION in English 11 Jan 90 p 3

[Excerpts] Coalition partners reacted cautiously yesterday to Prime Minister Chatchai Chunhawan's bold swap of the ministerial posts of two powerful figures in his Chat Thai Party.

The Democrat, Social Action and Ratsadon parties described as an "internal affair" the Cabinet reshuffle that is likely to have a noticeable impact on the general political scene.

By moving Chat Thai chief advisor Praman Adireksan to the Industry Ministry and party secretary-general Banhan Sinlapa-acha to the Interior Ministry, Chatchai risks an eruption of a political crisis or a lingering conflict within the biggest coalition partner.

Chatchai, Banhan and Praman share power in Chat Thai, but giving the powerful interior portfolio to the secretary general apparently cornered Praman who was said to have his sights set on becoming prime minister.

Social Action leader Sitthi Sawetsila told reporters the prime minister sought his comment after the reshuffle was announced on Tuesday [9 January].

"I told him if he sees it fit I have no problems," Foreign Minister Sitthi said.

Sitthi said he believed the change would improve the political situation because Banhan was more suitable than Praman to work with the Bangkok Metropolitan Administration. [passage omitted]

Sitthi said the reshuffle was an internal issue of the Chat Thai Party and had nothing to do with Social Action.

"This change doesn't concern us because we don't have any problem with anybody," Sitthi said. [passage omitted]

PM's Office Minister Suphattra Matsadit, a Democrat executive, said she did not believe Praman's conflicts with Chamlong motivated the change.

"I don't think the prime minister took (the conflicts) so seriously," Suphattra said. [passage omitted]

Suphattra said Chatchai's decision would not affect other parties nor cause more problems in the largest coalition partner.

She also noted that Praman once served as an industry minister and "he is a professional industrialist compared with Banhan". [passage omitted]

Ratsadon Party leader and Deputy Prime Minister Thianchai Sirisamphan said the shuffle should not undermine the government's stability.

"Every kind of work needs adjustment so that it can improve. We have to opt for changes which will make things better," Thianchai said.

Dailies View Change

BK1101104790

[Editorial Report] The 11 January issues of SIAM RAT and MATICHON comment on the transfer of Police Major General Praman Adireksan from the interior minister post to industry minister post.

SIAM RAT's 2,000-word Soi Suan Phlu column by Khukrit Pramot, on page 9, criticizes the transfer, saying: "It appears that Prime Minister General Chatchai transferred Police General Praman Adireksan from the interior minister post because he felt that Praman could not work with Major General Chamlong Simuang, the newly elected Bangkok governor. The transfer shows clearly that the prime minister regards the Bangkok Metropolitan Administration [BMA] as more important than the Interior Ministry. The election of the Bangkok governor is a local-level political event; it

concerns local administration like any municipal election. This is different from a national-level election, which elects members of parliament in order to form a government. For this reason, it is strange that Gen Chatchai has given local-level politics priority over national level politics to the extent that he transferred the interior minister in order to please the newly elected Bangkok governor." Khukrit then goes on to ask if this act of pleasing Chamlong is "excessive."

The 350-word SIAM RAT editorial, on page 8, entitled "A Decision Which Is Difficult To Grasp," says the swapping of interior and industry ministerial posts "so that Thailand can progress quickly toward becoming a newly industrialized country is difficult to understand because the nature of the work of the two ministries is different." The editorial continues: "The swapping took place after the result of the BMA gubernatorial election, in which Chamlong gained a landslide victory, became known. This leads to the assumption that the interior ministry, through its minister, was the party in the wrong in its past disputes with the BMA. If that is the case, why did the cabinet allow the disputes to occur?"

A 600-word MATICHON editorial on page 8, entitled: "Defusing a Bomb Before It Explodes," says the transfer of Gen Praman for the interior minister post "is no different from defusing a bomb before it can explode and cause serious damage. Who knows? The bomb which is left undefused for fear of offending the bomb carrier could seriously shake government stability."

China, Taiwan Seek Thai Backing for GATT

BK1101013390 Bangkok BANGKOK POST in English 11 Jan 90 p 1

[Text] China and Taiwan have separately asked Thailand to support their bids to join the General Agreement on Tariffs and Trade (GATT), a source said yesterday. Taiwan recently asked Thailand to endorse its application for GATT membership. China later approached Thailand with a similar request. The source said Thailand replied to China that it advocates the "one China" policy and agrees to endorse China's application.

Thailand told Taiwan that it will endorse Taiwan's application on condition that Taiwan join GATT as a customs zone of China, the same status held by Hong Kong which was admitted into GATT because it is considered a customs zone of the United Kingdom.

Vietnam

Radio Comments on Australian Cambodia Initiative

BK1101110090 Hanoi International Service in English 1000 GMT 11 Jan 90

[Station commentary]

[Text] Australia and some other countries are active in efforts to solve the Cambodian issue. In this connection, the Voice of Vietnam has this to say:

After making the initiative on the UN participation in organizing the elections in Cambodia according to the Namibia formula, Australia has carried out several acts in implementation of the initiative. Australian Foreign Minister Senator Gareth Evans proposed a meeting of all concerned countries to hear their opinions about his initiative. First of all, he will meet the foreign minister of Vietnam, Chairman Hun Sen of Cambodia, and later, leaders of France, the United States, and the United Nations General Assembly. To implement this plan, Senator Evans sent his special envoy, Deputy Foreign Minister Mr Michel Costello, to Vietnam and Cambodia and then to Paris, the UN General Assembly, and Washington.

In Cambodia, Mr Costello and Chairman Hun Sen had talks on the political solution to the Cambodian issue based on the initiative of the Australian foreign minister. The two sides shared the view that the UN should have a role in the interim government in Cambodia until the free general elections, and that the Cambodian seat should be left vacant at this organization at a suitable period of time. Costello and Hun Sen also informed that at a coming meeting on the Cambodian issue they will consider thoroughly many plans on the UN participation in the provisional government in Cambodia.

These are important agreements which pave the way to a solution to the Cambodian issue. The agreement between Chairman Hun Sen and the Australian deputy foreign minister also demonstrated the goodwill and flexible attitude of the Phnom Penh government toward a settlement of the Cambodian question. This shows that whether the issue is solved sooner or later rests with the other side. It is obvious that to solve the Cambodian issue according to the Australian foreign minister's initiative, other countries should also have goodwill and should abide by all their commitments toward the issue, namely to stop all arms supplies to the Cambodian opposing groups and prevent the Khmer Rouge's return to power in Cambodia. This remains an urgent demand.

Senator Stephan Solarz, chairman of the U.S. House Subcommittee on Asia and the Pacific recently said that the common goal at present is to prevent the Khmer Rouge's return to power in Cambodia and called on China to end its arms supplies to the Khmer Rouge. He held that the possibility for the Khmer Rouge's return to

power in Cambodia would be very little without China's support. In the coming days, Indonesian Foreign Minister Ali Alatas will meet the leaders of Thailand, Vietnam, and the State of Cambodia to discuss a settlement of the Cambodian issue on the basis of the Australian foreign minister's initiative.

These diplomatic moves show that much hope is put in solving the Cambodian issue according to the Australian foreign minister's initiative. However, this remains a hope. A realization of this hope requires all parties concerned to reach a reasonable compromise regarding the situation around Cambodia.

Nguyen Co Thach Sends Greetings to Hun Sen

BK1101073390 Phnom Penh Domestic Service in Cambodian 0430 GMT 11 Jan 90

[Text] SRV Foreign Minister Comrade Nguyen Co Thach recently sent a greetings message to Comrade Hun Sen, foreign minister of the State of Cambodia, saying in essence:

On the 11th anniversary of the State of Cambodia's national day, I would like to send the comrade warmest congratulations. May the relations of solidarity, friendship, and close cooperation between Vietnam and Cambodia be constantly strengthened and expanded. I wish you the best of health and many more successes in your noble task.

Trade Sector's 1989 Activities Reviewed

BK1101083790 Hanoi Domestic Service in Vietnamese 2300 GMT 1 Jan 90

[Article by station correspondent Thanh Binh: "A Look Back at the Trade Sector's Activities in 1989"]

[Summary] "1989 saw a remarkable improvement in the market for commodities throughout the country. Diversified goods were put on sale at markets in the north and south, the delta and mountain regions, and cities and rural areas, thus meeting consumers' demands. The circulation of goods increased by 10 percent compared with that of last year. Markets were well organized, thereby providing convenience for buyers and creating conditions for stabilizing prices. Market relations returned to normal, while the consumers' position was upheld and regarded as an important factor in business relations."

Implementing the state's new economic policy, many privately-run factories and enterprises engaged in business to compete with state-run establishments. As a result, monopoly in business by state-run enterprises no longer exists.

In carrying out the new management mechanism and catching up with the changing economic conditions, state-run trade establishments have improved their business strategy by striving to firmly control all essential goods, to stabilize markets in key areas, and to meet the demands of the main consumer groups. As a result, the sale of essential goods such as kerosene, salt, milk, clothing, paper, soap, and bicycles was carried out chiefly by state-run establishments.

"The volume of goods sold by state-run establishments exceeded plan norms by more than 6 percent. These establishments also helped regulate the market when major price fluctuations existed—such as the 'sugar fever' event we experienced last September and October—thus helping to protect the consumers' interests."

Development in market conditions, however, requires more efforts by state-run trade establishments to improve their activities so as to play an active role in business transactions. Since it began competing with privately-run establishments, the weaknesses of the state-run trade sector have been exposed. "The total value of its wholesale and retail goods were reduced significantly, making up less than 50 percent of the total volume of goods in circulation, while its volume of reserve goods was minimal. As a result, private traders could abruptly increase prices of some kinds of merchandise."

In major cities and the vast delta regions where the majority of the population lives, the volume of goods provided by state-run trade was only about 30 percent of the total amount in circulation. In many places, peasants were in bad need of consumer goods while their agricultural products were unsaleable.

In some mountain regions, ethnic minority people faced salt and kerosene shortages, and state-run trade establishments could not meet their demand because transportation was too costly. However, the human factor was the cause of setbacks for state-run establishments.

"In a recent meeting with the press, the comrade minister of home trade admitted that the contingent of state-run trade cadres, workers, and personnel was relatively large but not strong enough. They were weak in the business profession and could not catch up with the new economic situation." Indeed, many establishment directors operated their businesses in an obsolete way, thus failing to strengthen close relations with their subordinate units and promote relations between wholesale and retail units as well as between the central and local levels. This caused business losses as well as capital losses.

Another important factor that resulted in a setback for the state-run trade sector was the state functional agencies' loose management and control over the market. Taking measures to encourage economic components to participate in trade and business is correct, but this must be carried out in accordance with the law and must ensure full tax collection for the state. The reality in 1989

showed that many units and mass societies engaging in business tried to evade taxes—some were even involved in goods smuggling or helped private traders evade taxes, while functional state units took no decisive measures to fully collect taxes. Due to loose market management, foreign goods have infiltrated the local market, adversely affecting the sale of homemade merchandise as well as production.

"To achieve the objectives for 1990 set forth by the SRV Eighth National Assembly's sixth session—that is, to accelerate the development of production and circulation of goods so as to contribute to stabilizing the socioeconomic situation, helping to curb and pull back inflation, and improving the people's daily life—the state-run trade sector has formulated measures to uphold its position and role, meeting the requirements of the new situation. These include the consolidation of its trade organization, combining trade with production establishments, accumulating more capital, rationally rearranging its contingent of trade cadres, and enhancing the professional skills of all of its personnel."

To achieve these objectives, state functional agencies must strive to strengthen their market management and ensure justice in procurement by all units and individuals engaging in business. Most importantly, the state-run trade sector and marketing cooperatives must surge forward to catch up with the new economic situation.

First Trawler Made for Export Launched

BK1101093990 Hanoi VNA in English 0655 GMT 11 Jan 90

[Text] Hanoi VNA January 11—The Bach Dang Shipyard in the northern coastal province of Quang Ninh, some 120 km northeast of Hanoi, has launched the first trawler it made for export. The ship, 22 by 6 metres and 2.65 metres at the side, is equipped with a 150 HP engine and has a load capacity of 15 tons. This is one of the 25 trawlers ordered by the Soviet Union within the framework of a cooperation programme of the Council for Mutual Economic Assistance (CMEA). The Soviet Union provides designing, materials, fishing and all other equipment.

Earlier, the shipyard had sent its engineers and workers to the Soviet Union for apprenticeship and purchased equipment for the work.

Australia

Government To Consider Extra Aid for PNG

BK1001100390 Melbourne Overseas Service in English 0500 GMT 10 Jan 90

[Text] The Australian Government says it will consider a request from Papua New Guinea [PNG] for an extra Australian $20 million in aid following yesterday's 10 percent devaluation of Papua New Guinea's currency, the kina. However, Radio Australia's diplomatic correspondent, Stewart Heather, says the government has made it clear that it is not anxious to revise the treaty between the two countries setting the level of Australian aid. The treaty provides for Australian aid to be maintained in dollar terms, (?but to decline) in real value over the next 5 years.

Papua New Guinea's finance minister, Mr Paul Pora, foresaw a request for more Australian aid after announcing the devaluation of the kina brought on by the closure of the Bougainville Copper Mine and falling export prices for copra, coffee, and cocoa.

Australia's minister for foreign affairs and trade, Senator Evans, said he does not want to create an expectation that it will be easy to revise Australia's aid program to Papua New Guinea, as it was only recently amended. Senator Evans said it will be necessary for the Papua New Guinea Government to make appropriate economic policy adjustments now that they are relying on external financial support to resolve its problems.

The aid issue will be discussed at next week's second Australia-Papua New Guinea ministerial forum to be held in Port Moresby. The forum will be attended by Senator Evans along with the Australian ministers for defense, justice, and resources.

Fiji

Rabuka Explains Military Role, Constitution

BK1001093990 Melbourne Overseas Service in English 1330 GMT 10 Jan 90

[Text] Fiji's army commander and former home affairs minister, Major General Rabuka, has said the military will maintain a state of alert as long as the interim government faces a threat of disruption.

The PACIFIC NEWS AGENCY, PAC NEWS, reports that in an interview in the latest issue of the magazine, PACIFIC ISLANDS MONTHLY, Gen Rabuka said the military would perform its normal role of support for the civilian authorities.

Gen Rabuka led two military coups in Fiji in 1987 which overthrew the government of the late Dr Timoci Bavadra, turned the country into a republic, and installed the interim government.

In the interview, the general warned that the Army would be ready for any radicals who started a resistance campaign to the proposed new constitution if the police could not suppress such an action. He said it would be naive to say that a constitution with Fijian dominance in Parliament would be generally accepted. However, he thought that once the constitution was made into law and properly explained to the people, they would slowly begin to accept it.

Gen Rabuka again ruled out the possibility of the third military coup, but said he wanted the government to approve the purchase of new equipment and weapons for the Army.

Papua New Guinea

Rebel Leader Francis Ona Reportedly Killed

BK1101052990 Melbourne Overseas Service in English 0500 GMT 11 Jan 90

[Text] An unconfirmed report from Papua New Guinea says the leader of the Bougainville Republican Army, Mr Francis Ona, is dead. The controller of the state of emergency on Bougainville Island, Police Commissioner Paul Tohian, claims the rebels are now led by a former army lieutenant, (Sam Toana), who says he has challenged the army to a full-scale military confrontation.

Commissioner Tohian says Mr Ona was killed by other rebels, including Mr (Toana). However, our Office in Port Moresby says so far there has been no confirmation of the killing.